Foresight Solar Fund Limited: Unaudited Consolidated Interim Report and Financial Statements for the period 1 January 2017 to 30 June 2017

Highlights

- At 30 June 2017, the underlying portfolio, which is fully operational and accredited, totalled 18 assets with an installed capacity of 470MW. A substantial average size of over 26MW per solar installation means the portfolio benefits from efficiencies of scale particularly in terms of lower asset management costs and operating and maintenance charges. Total revenues earned across the portfolio amounted to £23.28 million. During the period the portfolio generated 223.5 GWh of clean energy, sufficient to power approximately 67,716 UK homes

- Two significant acquisitions, Shotwick and Sandridge, 72MW and 50MW respectively, were completed by 30 June 2017. These acquisitions were primarily funded using the Company's revolving credit facilities.

- Having delivered the target dividend of 6.17 pence for the year ended 31 December 2016, the first 2017 interim dividend of 1.58 pence per share will be paid on 25 August 2017. The Company is on track to pay the target dividend of 6.32 pence per share for the year ended 31 December 2017. Since IPO, all target dividends have been achieved.

- The Net Asset Value ("NAV") increased to £432.8 million over period, taking the NAV per Ordinary Share to 104.6 pence, an increase of 1.7% since 31 December 2016 (102.9 pence). The NAV has decreased slightly by 0.7% since the last reported NAV as at 31 March 2017 (105.3 pence), primarily due to a reduction in short to medium term power price forecasts. The discount rate has decreased by 0.25% to 7.25% to better reflect market conditions and operational risk

- A Placing Programme for 250 million new shares was launched earlier this year. The first Placing under this Programme took place in March 2017 with the Company raising total gross proceeds of £78.5 million from new and existing investors in an oversubscribed issuance. Since the Company's IPO, this brings the total equity capital raised to £424.2 million.

- While the UK market remains competitive, the Company continues to successfully identify attractive opportunities to add to its portfolio.

- The Company is currently actively looking to acquire solar projects in selected markets outside of the UK, with stable economies and regulatory regimes, where attractive returns can be achieved in line with the current risk profile and investment policy

Dividend Timetable

Dividend Timetable	Date
Ex-dividend Date	10 August 2017
Record Date	11 August 2017
Payment Date	25 August 2017

Key Metrics

	As at 30 June 2017
Market Capitalisation	£465.0 million
Share Price	112.38 pence
Total Dividend per Share for the period	1.58 pence
Gross Asset Value	£625.3 million*
Net Asset Value	£432.8 million
NAV per Share	104.6 pence
NAV Change per Share	1.7 pence
Total Return (NAV)	6.97%**
Total Shareholder Return	8.35%***
Equity Discount Rate	7.25%
Profit after Tax	£11.5 million
Number of Shares with Voting Rights	413,801,536

* Of Company and its subsidiaries

** Annualised from IPO on 29 October 2013 and calculated in line with AIC methodology, which does not include dividends approved but not paid.

*** Annualised from IPO on 29 October 2013

Commenting on today's results, Alex Ohlsson, Chairman of Foresight Solar Fund Limited said:

"During the first half of 2017, the Company made two significant purchases; the first being the 72MW acquisition of Shotwick and second the 50MW acquisition of Sandridge, resulting in a total installed capacity of 470MW.

As the solar industry becomes increasingly competitive, acquiring assets at attractive prices is becoming more challenging. However, Foresight Solar Fund Limited continues to make asset purchases at attractive valuations and sees significant opportunities in the UK secondary solar market as well as other developed overseas countries with stable currencies.

The Company continues to be supported by existing and new shareholders, as evidenced by the oversubscribed share placing earlier this year. This signals investor support for the stable income flows generated by the portfolio. The majority of the capital raised was used to repay the short term credit facilities and the remainder will be used to support growth. The Company will continue capital raising while there is investor demand for infrastructure assets.

The Company has achieved all target dividends to date and is on track to deliver a 6.32 pence dividend for the year ended 31 December 2017."

A conference call for analysts will be held at 9:00am on Wednesday 16 August 2017.

To register, please contact Shabnam Bashir at Citigate Dewe Rogerson by email Shabnam.Bashir@citigatedr.co.uk or by phone +44 (0) 20 7282 2822

A presentation will be provided separately before the call.

A copy of the Report can be found on the Fund's website http://www.foresightgroup.eu/fsfl-home

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Notes to Editors

About Foresight Solar Fund Limited ("The Company" or "FSFL")

FSFL is a Jersey-registered closed-end investment company. The Company invests in ground based UK solar power assets to achieve its objective of providing Shareholders with a sustainable and increasing dividend with the potential for capital growth over the long-term. Having raised £150 million at IPO in October 2013, FSFL has since raised a further £274.2 million from institutional investors and private investors.

About Foresight Group

Foresight is a leading independent infrastructure and private equity investment manager which has been managing investment funds on behalf of institutions and retail clients for more than 30 years.

Foresight has £2.7 billion of Assets under Management across a number of funds, including Listed Vehicles, Limited Partnerships, Enterprise Investment Schemes (EISs) and Venture Capital Trusts (VCTs).

Foresight is the second largest solar asset manager in the UK with over 780MW of installed capacity. In total, the team manages c. £1.6 billion invested in over 85 operating solar plants totalling over 900MW of existing operational capacity across the UK, Italy, Australia and the USA.

Foresight Group is headquartered in London, with international offices in Rome, San Francisco and Sydney and regional UK offices in Nottingham, Manchester and Guernsey.

www.foresightgroup.eu

Foresight Solar Fund Limited: Unaudited Consolidated Interim Report and Financial Statements for the period 1 January 2017 to 30 June 2017

Financial Highlights as at 30 June 2017

	As at 30 June 2017
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Gross Asset Value	£625.3 million*
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- At 30 June 2017, the underlying portfolio, which is fully operational and accredited, totalled 18 assets with an installed capacity of 470MW. A substantial average size of over 26MW per solar installation means the portfolio benefits from efficiencies of scale particularly in terms of lower asset management costs and operating and maintenance charges. Total revenues earned across the portfolio amounted to £23.28 million. During the period the portfolio generated 223.5 GWh of clean energy, sufficient to power approximately 67,716 UK homesTwo significant acquisitions, Shotwick and Sandridge, 72MW and 50MW respectively, were completed by 30 June 2017. These acquisitions were primarily funded using the Company's revolving credit facilities.
- Having delivered the target dividend of 6.17 pence for the year ended 31 December 2016, the first 2017 interim dividend of 1.58 pence per share will be paid on 25 August 2017. The Company is on track to pay the target dividend of 6.32 pence per share for the year ended 31 December 2017. Since IPO, all target dividends have been achieved.
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- A Placing Programme for 250 million new shares was launched earlier this year. The first Placing under this Programme took place in March 2017 with the Company raising total gross proceeds of £78.5 million from new and existing investors in an oversubscribed issuance. Since the Company's IPO, this brings the total equity capital raised to £424.2 million.
- While the UK market remains competitive, the Company continues to successfully identify attractive opportunities to add to its portfolio.
- The Company is currently actively looking to acquire solar projects in selected markets outside of the UK, with stable economies and regulatory regimes, where attractive returns can be achieved in line with the current risk profile and investment policy.

Chairman's Statement

During the first half of 2017, the Company made two significant purchases; the first being the 72MW acquisition of Shotwick and second the 50MW acquisition of Sandridge, resulting in a total installed capacity of 470MW.

As the solar industry becomes increasingly competitive, acquiring assets at attractive prices is becoming more challenging. However, Foresight Solar Fund Limited continues to make asset purchases at attractive valuations and sees significant opportunities in the UK secondary solar market as well as other developed overseas countries with stable currencies.

The Company continues to be supported by existing and new shareholders, as evidenced by the oversubscribed share placing earlier this year. This signals investor support for the stable income flows generated by the *portfolio. The majority of the capital raised was used to repay the short term credit facilities and the remainder will be used to support growth. The Company will continue capital raising while there is investor demand for infrastructure assets.*

The Company has achieved all target dividends to date and is on track to deliver a 6.32 pence dividend for the year ended 31 December 2017.

Alexander Ohlsson, Chairman

On behalf of the Board, I am pleased to present the Unaudited Interim Financial Statements for Foresight Solar Fund Limited (the "Company") for the six months ended 30 June 2017.

During the period, the Net Asset Value per Ordinary Share increased by 1.7 pence from 102.9 pence as at 31 December 2016 to 104.6 pence as at 30 June 2017. The increase in net asset value is detailed in the Investment Management report and was primarily driven by the acquisitions of Shotwick and Sandridge. The Profit after Tax for the period was £11.5 million resulting in Earnings per Share of 3.04 pence.

At the period end and following the acquisitions of Shotwick and Sandridge, the fully operational and accredited portfolio totalled 18 assets across the UK with an installed capacity of 470MW.

DIVIDEND AND DIVIDEND GROWTH
In keeping with the Company's Prospectuses, subject to market conditions and Company performance, it is the Directors' intention to pay a sustainable and inflation-linked level of dividend income to Shareholders. The Company continues to achieve its dividend objectives and has paid all target dividends since IPO. The Company remains on track to deliver the targeted inflation-linked dividend of 6.32 pence for the year ending 31 December 2017, to be paid in four equal quarterly distributions. (2016: 6.17 pence).

OPERATIONAL PERFORMANCE
As described more fully in the Asset Manager's Report, the production of the underlying portfolio during the period was 8% below expectations, mainly attributable to specific and isolated operational issues. The issues identified early on by the Asset Manager are currently being rectified and are not expected to impact the long term performance of the assets. When the portfolio production is adjusted for compensation received as set out in the Asset Manager's report, the performance is 1.9% below expectations against irradiance variance of minus 1.4%. The intervention by the Asset Manager was successful in minimising further impact. The technical expertise and proactive negotiations of the Asset Manager have also been instrumental in driving discussions with EPC contractors resulting in satisfactory outcomes with regard to other technical issues.

Specific events for which compensation will not be paid include external grid outages as well as material rectification works being undertaken on certain sites. These latter works have impacted availability during the period, but lost revenues have already been made up from the work undertaken and further benefits will accrue from the longer term performance of the assets. The works have been funded by EPC contractors.

CAPITAL RAISING AND FINANCING
In the first half of 2017, the Company took advantage of strong market demand and raised total additional equity capital of £78.5 million, exceeding the £50 million initial target. This brings the total funds raised in the last 12 months to £139.3 million. A total of 72,850,624 shares were issued by the Company in March 2017 under the Company's new 250 million share Placing Programme, with a balance of 177,149,376 shares available to be placed by 2 March 2018. Future issuances under the Placing Programme will be subject to the Company identifying and acquiring new solar assets.

In February 2017, a new short-term revolving credit facility of £55 million was agreed with Santander Global Corporate Banking at attractive terms. This facility was primarily used to fund the acquisition of Sandridge and repaid using the proceeds from the March Placing.

PORTFOLIO DEVELOPMENT
As a result of its successful capital raising activities, the Company is well-placed to selectively pursue further acquisitions. During the period, the Investment Manager evaluated over 700MW of solar assets from primary and secondary vendors in the UK, demonstrating the availability of assets in the market. The purchase of Sandridge and Shotwick was in line with the Company's cautious growth strategy, minimising the impact of cash drag for investors and demonstrating that NAV accretive opportunities exist in the secondary market and continue to be sourced by the Company.

Following the period end, the Company acquired a 1.2 ROC 5MW operational project known as Wally Corner in Berinsfield, South Oxfordshire. This acquisition was funded using the Company's existing short-term revolving credit facility.

SOLAR MARKET OUTLOOK

While there remains political uncertainty following the UK's decision in June 2016 to withdraw from the European Union ('Brexit') and the recent snap election, which resulted in a hung parliament, current indications suggest that the UK Government remains committed to a carbon reduction agenda. On 24 July 2017, as part of the Industrial Strategy, the Business and Energy Secretary, Greg Clark, announced a plan to give UK homes and businesses more control over their energy use and support innovative new technologies. It is expected that this initiative will maximise the use of renewable energy such as solar, while potentially saving consumers up to £40 billion by 2020. A ban on the sale of new petrol and diesel fuelled vehicles by 2040 has also been announced; these will predominantly be replaced with electric cars.

There is now c.12GW of solar capacity in Great Britain with over 8GW of ground mounted solar. The Department of Business, Energy and Industrial Strategy ("BEIS") reported that at the end of 2016 energy from renewables represented 24.4% of all electricity generation in the UK, with solar PV representing c.12.4% of renewable generation in 2016. On Friday 28 May 2017, the UK saw a new record for solar power generation, when a quarter of the nation's electricity mix in one afternoon was derived from solar generation. The UK produced more electricity from solar than nuclear and coal power combined.

The end of March 2017 saw the closure of the Renewable Obligation scheme to new solar projects, and as a result no new solar projects will receive Renewable Obligation Certificates ("ROC") for energy generated. ROCs have been replaced by the Contract for Difference ("CfD") subsidy regime, however solar technology is currently not eligible for CfD allocation. Although the lack of regulatory support for large scale solar projects has reduced the availability of primary market solar assets, the Company continues to see significant opportunities available in the secondary market. The Investment Manager expects that between 1 and 2GW of projects will be sold in the secondary market in the coming 12-18 months. Post the approvals received at the General Meeting in March 2017, the Company can now acquire assets with debt at asset level which has provided greater flexibility and wider opportunities.

The Company is able to invest up to 25 percent of Gross Asset Value* ("GAV") in other jurisdictions, including Australia, the USA and other European countries. The Investment Manager feels that this international strategy offers considerable scope for value-accretive growth. As costs fall, the deployment of solar power in other developed markets continues to grow at a rapid pace with Bloomberg New Energy Finance predicting global solar capacity will reach 92GW in 2018. Investing in solar projects, however, remains a relatively niche activity in many countries creating attractive risk/return investment opportunities for an experienced investor such as Foresight Solar Fund Limited. The Board believes that the Company is well-positioned to benefit from the Investment Manager's existing knowledge and access to pipeline in markets such as Australia and USA. While investors will not be exposed to significantly different risk profiles compared to UK assets, the acquisitions will be priced taking into account the cost of managing and mitigating currency risk, using hedging strategies where appropriate. Any overseas acquisitions will be in line with the Company's investment policy and returns are expected to be in line with those of current UK assets. *GAV including Company and Subsidiaries

The Investment Manager is actively reviewing a pipeline of more than 500MW of potential investments in the UK and other international markets, but it will maintain a prudent approach to new acquisitions, making its investment decisions based on NAV accretive projects within the remit of the Company investment mandate.

The Investment Manager's fundraising strategy is also planned so as to capitalise on the availability of assets and minimise investor cash drag. The Company continues to be supported by existing and new shareholders, illustrated through the oversubscribed equity issuance earlier this year, evidencing strong investor support for the stable income flows generated by the portfolio. The majority of the capital raised was used to repay the short term credit facilities and the remainder will be used to support growth. The Company will continue raising capital through a combination of equity and debt, particularly while the current low interest rate environment prevails and investor sentiment remains positive for solar infrastructure assets.

Alexander Ohlsson
Chairman
15 August 2017

Corporate Summary and Investment Objective

Foresight Solar Fund Limited invests in a portfolio of predominantly UK ground-based solar PV assets with the aim of achieving its objective of providing Shareholders with a sustainable and increasing dividend with the potential for capital growth over the long term.

THE COMPANY

The Company's Initial Public Offering on 24 October 2013 raised £150 million, creating the largest dedicated solar investment company listed in the UK at the time. Gross proceeds of £134.9 million were raised under a subsequent 12 month placing programme initiated in September 2014. In September 2016, £28.9 million was raised through the oversubscribed reissue of Shares out of Treasury and in October 2016 a further £31.9 million was raised through a tap issue, which was also oversubscribed. In March 2017 the Company announced a new Placing Programme relating to the issue of up to 250 million new ordinary shares in aggregate over a 12 month period. An oversubscribed Initial Placing raised £78.5 million on 29 March 2017. To date, the Company has raised a total of £424.2 million through equity issuance.

The Company had a market capitalisation at the end of the period of £465.0 million and owns a portfolio of 18 large scale, ground based solar power plants across the UK with a total installed capacity of 470MW.

CORPORATE SUMMARY

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

The Company has 413,801,536 Ordinary Shares in issue which are listed on the premium segment of the Official List and traded on the London Stock Exchange's Main Market.

The Company makes its investments through intermediate holding companies and underlying Project Vehicles/Special Purpose Vehicles ("SPVs") which are ultimately wholly-owned by the Company.

INVESTMENT OBJECTIVE

The Company's objective is to provide investors with a sustainable and inflation-linked quarterly dividend and to aim to preserve and where possible enhance capital value, through the reinvestment of excess cash flows, not required for the payment of dividends, in a diversified portfolio of predominantly UK ground-based solar PV assets.

INVESTMENT POLICY

The Company will pursue its investment objective by acquiring ground-based, operational solar power plants predominantly in the UK. Investments outside the UK and assets which are still, when acquired, under construction will be limited to 25 percent of the Gross Asset Value of the Company and subsidiaries, calculated at the time of investment.

The Company will seek to acquire majority or minority stakes in individual ground-based solar assets. When investing in a stake of less than 100 per cent in a solar power plant SPV, the Company will secure its shareholder rights through shareholders' agreements and other legal transaction documents.

Power purchase agreements ("PPAs") will be entered into between each of the individual solar power plant SPVs in its portfolio and creditworthy offtakers in the UK. Under the PPAs, the SPVs will sell solar generated electricity and green benefits to the designated offtaker. The Company may retain exposure to UK power prices through PPAs that avoid mechanisms such as fixed prices or price floors.

Investment may be made in equity or debt or intermediate instruments but not in any instruments traded on any investment exchange.

The Company is permitted to invest cash held for working capital purposes and awaiting investment in cash deposits, gilts and money market funds.

In order to spread risk and diversify its portfolio, at the time of investment no single asset shall exceed in value (or, if it is an additional stake in an existing investment, the combined value of both the existing stake and the additional stake acquired) 30 percent of the Company's Gross Asset Value post-acquisition. The Gross Asset Value of the Company will be calculated based on the last published gross investment valuation of the Company's portfolio, including cash, plus acquisitions made since the date of such valuation at their cost of acquisition. The Company's portfolio will provide diversified exposure through the inclusion of not less than five individual solar power plants and the Company will also seek to diversify risk by ensuring that a significant proportion of its expected income stream is derived from regulatory support, (which will consist of for example, without limitation ROCs and FiTs for UK assets). Diversification will also be achieved by the Company using a number of different third party providers such as developers, EPC contractors, O&M contractors, panel manufacturers, landlords and distribution network operators.

The Articles provide that gearing, calculated as Group borrowings (including any asset level gearing) as a percentage of the Company's Gross Asset Value will not exceed 50 percent at the time of drawdown. It is the Board's current intention that long-term gearing (including long-term, asset level gearing), calculated as Group borrowings (excluding intra-group borrowings (i.e. borrowings between members of the Group) and revolving credit facilities) as a percentage of the Company's Gross Asset Value will not exceed 40 percent at the time of drawdown.

Any material change to the investment policy will require the prior approval of Shareholders by way of an ordinary resolution (for so long as the Ordinary Shares are listed on the Official List) in accordance with the Listing Rules.

SIGNIFICANT SHAREHOLDERS
The Company's Shareholders include a substantial number of blue-chip institutional investors.

Shareholders in the Company with more than a 5% holding as at 30 June 2017 are as follows:

Investor	% Shareholding in Fund
Blackrock Investment Management Limited	12.79%
Newton Investment Management Limited	9.3%
Schroders Plc	7.91%
Legal & General Investment Mgmt. Ltd	7.17%
Rathbone Investment Management Limited	5.42%
Total	**42.59%**

ALTERNATIVE INVESTMENT FUND MANAGEMENT DIRECTIVE ("AIFMD")
The AIFMD, which was implemented across the EU on 22 July 2013 with the transition period ending 22 July 2014, aims to harmonise the regulation of Alternative Investment Fund Managers ("AIFMs") and imposes obligations on managers who manage or distribute Alternative Investment Funds ("AIFs") in the EU or who market shares in such funds to EU investors. Under the AIFMD, the Company is self-managed and acts as its own Capitalised Alternative Investment Fund Manager.

Both the Company and the Investment Manager are located outside the European Economic Area ("EEA") but the Company's marketing activities in the UK are subject to regulation under the AIFMD.

The Investment Manager

The Company's Investment Manager is Foresight Group CI Limited ("Foresight Group CI"), which is responsible for the development and management of the assets of the Company including the sourcing and acquisition of future ground-based solar power plants predominantly located in the UK, advising on the Group's borrowing strategy, the sale of the electricity and the administering of green benefits. The Investment Manager is a Guernsey registered company, incorporated under the Guernsey Law with registered number 51471. The Investment Manager is licensed and regulated by the Guernsey Financial Services Commission.

Foresight, defined here as Foresight Group CI and its subsidiaries, is a privately-owned infrastructure and private equity Investment Manager, managing assets of c. £2.7 billion, raised from pension funds and other institutional investors, UK and international private and high net worth individuals and family offices. Founded in 1984, in total Foresight manages 27 funds on behalf of institutional and retail investors including three venture capital trusts which are listed on the premium segment of the Official List and are admitted to trading on the Main Market. Headquartered in The Shard, London, with further offices in Guernsey, Nottingham, Manchester, Rome, San Francisco and Sydney, Foresight has over 190 staff.

Foresight established its solar investment team in 2007 and launched its first solar fund, Foresight European Solar Fund, in early 2008. Foresight Solar VCT plc was launched in November 2010 and the Group has since raised over £200 million for solar-focused Enterprise Investment Schemes. In 2013, Foresight-managed funds issued the largest UK solar index linked bond at that date.

Foresight is the second largest solar asset manager in the UK with over 780MW of installed capacity. In total, the team manages c. £1.6 billion invested in over 85 operating solar plants totalling over 900MW of existing operational capacity across the UK, Italy, Australia and the USA. In February 2017, Foresight Group announced the acquisition of the 25MW Barcaldine Remote Community Solar Farm in Queensland, Australia to bring its first

Australian solar project under management. In July 2017, Foresight made its first investment in an unsubsidised solar farm of 7.2 MW purchase in Portugal. This project represents the first investment in a utility scale solar asset which does not benefit from any government subsidy and is the first part of a larger unsubsidised solar portfolio acquisition plan Foresight is implementing across Southern Europe.

In June 2017, Foresight Group also made its first battery storage investment, acquiring the 35MW Port of Tyne project in the North East of England. This investment consolidates Foresight's position as a leader in not only renewable energy generation and also the flexible grid infrastructure required to accommodate increasing penetration of renewables, such as energy storage.

The Group's dedicated multinational infrastructure team consists of an Investment Team of 36 investment professionals and an Asset Management Team of 31 specialist portfolio accountants, in-house legal personnel and specialised engineers. The team possesses a comprehensive suite of capabilities, from investment origination and execution, including sourcing and structuring transactions, to ongoing active asset management within the specialist sector of energy infrastructure.

The team is supported by an extensive back office team comprising of finance, investor relations, sales, marketing, HR and administration.

The Company's Investment Management team is led by four experienced UK-based fund managers and is responsible for new asset acquisitions, pipeline development, value enhancement of the Company and also advises the Board on the optimal borrowing strategy of the Company. The management team is supported by a team of UK-based solar investment analysts with additional resource obtained from Foresight's US, Italian and Australian investment teams. Foresight is overseen by an Executive Committee of which Jamie Richards and Gary Fraser are members. Foresight's Executive Committee provides strategic investment advice to the management team and the Board.

The Asset Manager

The underlying investments have appointed Foresight Group LLP, a subsidiary of Foresight Group CI, to act as Asset Manager. The Asset Manager is responsible for the management of the operating assets including relationships with contractors, asset performance, portfolio optimisation and commercial negotiations during the operating phase. Foresight Group LLP is authorised and regulated by the Financial Conduct Authority. It is overseen by an experienced and majority independent Board.

The Company's Asset Management team is led by a Director, responsible for the financial and commercial operations of the assets, and a Technical Director with over 12 years of European solar experience who supervises the operational management of the Company's portfolio on a day to day basis.

Foresight has developed a leading, in-house solar asset management team through the active management of a large portfolio of operational and construction stage assets. The team incorporates portfolio managers, electrical engineers, legal assistants and accountants and is further enhanced by an outsourced back office support function which provides back office and administrative functions such as invoicing and financial reporting for each solar power plant.

Foresight's experience in asset optimisation has been attained through continual emphasis on operational efficiencies achieved through the consolidation of costs across O&M activities and insurances, negotiating attractive offtake pricing and ongoing equipment improvements.

Being an early entrant into the solar market, Foresight has a wealth of experience in the sector and has been able to develop its own centralised monitoring system so that all sites can be remotely monitored in real time. This sophisticated asset management database forms the basis of all performance analysis and reporting as well as enabling the enforcement of contractual compliance. This a powerful tool for being able to assess the performance of the portfolio of sites on a continuous basis and ensures that all information is consistent, accurate and relevant. It also allows Foresight's engineers to identify and notify onsite contractors of incidents quickly and work with them in order to minimise the impact on portfolio production. Foresight also oversees each of the O&M contractors' performance, incident control and technical reporting in order to ensure that each solar power plant is operated and managed so as to maximise profits and reduce operating risks.

Portfolio Assets

OVERVIEW

Asset	Location	Status	ROCs	Installed Peak Capacity	Connection Date	Acquisition Date	Ownership	Original Cost[2]	Fair Value
Wymeswold[1]	Leicestershire	Operational and accredited	2.0 1.4	32 2	March 2013	November 2013 March 2015	100%	£45.0m	£50.0m
Castle Eaton	Wiltshire	Operational and accredited	1.6	18	March 2014	June 2014	100%	£22.6m	£21.3m
Highfields	Essex	Operational and accredited	1.6	12	March 2014	June 2014	100%	£15.4m	£14.6m
High Penn	Wiltshire	Operational and accredited	1.6	10	March 2014	June 2014	100%	£12.7m	£11.7m
Pitworthy	North Devon	Operational and accredited	1.4	16	March 2014	June 2014	100%	£19.3m	£17.8m
Hunters Race	West Sussex	Operational and accredited	1.4	11	July 2014	September 2014	100%	£13.3m	£13.4m
Spriggs Farm	Essex	Operational and accredited	1.6	12	March 2014	November 2014	100%	£14.6m	£14.6m
Bournemouth	Dorset	Operational and accredited	1.4	37	September 2014	December 2014	100%	£47.9m	£50.1m
Landmead	Oxfordshire	Operational and accredited	1.4	46	December 2014	December 2014	100%	£52.4m	£52.6m
Kencot	Oxfordshire	Operational and accredited	1.4	37	September 2014	March 2015	100%	£49.5m	£48.4m
Copley	Lincolnshire	Operational and accredited	1.3	30	December 2015	June 2015	100%	£32.7m	£37.5m
Atherstone	Warwickshire	Operational and accredited	1.4	15	March 2015	July 2015 November 2016	100%	£16.2m	£16.3m
Paddock Wood	Kent	Operational and accredited	1.4	9	March 2015	July 2015 November 2016	100%	£10.7m	£11.4m
Southam	Warwickshire	Operational and accredited	1.4	10	March 2015	July 2015 November 2016	100%	£11.1m	£11.7m
Port Farm	Wiltshire	Operational and accredited	1.4	35	March 2015	August 2015	100%	£44.5m	£44.8m
Membury	Berkshire	Operational and accredited	1.4	16	March 2015	September 2015	100%	£22.2m	£21.6m
Shotwick	Flintshire	Operational and accredited	1.3	72	March 2016	February 2017	100%	£75.5m	£86.6m
Sandridge	Wiltshire	Operational and accredited	1.3	50	March 2016	February 2017	100%	£57.3m	£58.3m
Total Portfolio				**470**				**£562.9m**	**£582.7m**

1 The 1.4 ROC banding and March 2015 acquisition date refer to the 2.3MW Wymeswold extension finalised in March 2015.

2 Original cost at time of acquisition, including transaction costs.

Investment Manager's Report

For the period ended 30 June 2017

KEY METRICS

	As at 30 June 2017	As at 31 December 2016
Market Capitalisation	£465.0 million	£354.9 million
Share Price	112.38 pence	104.10 pence
Total Dividend per Share for the period	1.58 pence	6.17 pence
Gross Asset Value	£625.3 million*	£549.0 million*
Net Asset Value	£432.8 million	£350.8 million
NAV per Share	104.6 pence	102.9 pence
NAV Change per Share	1.7 pence	3.9 pence
Total Return (NAV)	6.97%	7.04%
Total Shareholder Return since IPO	8.35%	6.58%
Equity Discount Rate	7.25%	7.5%
Profit after Tax	£11.5 million	£30.7 million

* of Company and its subsidiaries

PORTFOLIO SUMMARY

At the period end, the Company's portfolio consisted of 18 solar installations across England and Wales with a total generating capacity of 470MW. The portfolio's average size of over 26MW per solar installation means the Company benefits from efficiencies of scale particularly in terms of lower asset management costs and operating and maintenance charges.

Assets have been selected to ensure diversification by geography, while aiming to maximise exposure to regions with favourable irradiation patterns. The portfolio is also diversified by technology and counterparties in order to minimise risk. The individual selection of solar assets also takes into account pricing, driven by the aim of achieving portfolio growth but not at the expense of securing good value for investors.

To minimise exposure to construction risk, 17 of the 18 assets within the portfolio were operational when acquired, thus maintaining the Company's low risk strategy when making acquisitions.

ACQUISITIONS

In February 2017, the Company completed two significant solar site acquisitions, the first being Shotwick solar park in Flintshire, North Wales (72MW) ("Shotwick"), and the second Sandridge solar park located in Wiltshire (50MW) ("Sandridge"). Shotwick solar farm is the largest operational solar asset in the UK and is the biggest acquisition made by the Company to date.

Shotwick was connected to the grid in March 2016 and has received ROC accreditation of 1.3ROCs/MWh. The Company acquired the economic benefit of all project cash flows from Shotwick since 1 December 2016.

Through a 25-year private wire agreement Shotwick provides renewable electricity to the neighbouring Shotton paper mill owned by UPM, a Finnish conglomerate with a market cap of €11.87 billion. The project benefits from a shared grid connection and private wire agreement which means the project can sell electricity directly to the paper mill but can also export to the national grid. The private wire agreement created the opportunity to enter a corporate PPA with UPM, allowing the Company to obtain power prices materially above traditional utility PPAs available in the market. The overall arrangement is attractive for both the solar park and UPM as a major local employer, delivering long-term environmental and economic benefits to the local community. The project also sets a unique precedent for solar energy suppliers working with energy intensive industry, and can be seen as part of a wider shift towards corporates sourcing renewable electricity to better manage ongoing energy costs and lower carbon emissions. The park enables the business to run on up to 100% green energy during daylight hours and to save up to 22,500 tonnes of carbon dioxide emissions per year.

Sandridge, the second largest asset acquired during the period, was connected to the National Grid in March 2016 and has received ROC accreditation of 1.3ROCs/MWh. The Company acquired the economic benefit of all project cash flows since 1 January 2017. Sandridge was acquired from Goldbeck, a developer the Investment Manager has worked with before on previous deals. Established relationships such as this allows the Company to gain access to high quality assets at attractive valuations.

The acquisition of Sandridge was primarily funded via the new £55m revolving credit facility, announced on 23 February 2017, provided by Santander Global Corporate Banking at competitive rates.

These large acquisitions reflect the prudent investment strategy and preferred approach of acquiring assets that will be accretive in value to Shareholders and also offer economies of scale.

More than 1GW of potential asset acquisitions were evaluated by the Investment Manager during the first half year period in 2017. Of these, 750MW were considered appropriate for the Company, of which 148MW were progressed to exclusivity and ultimately 122MW of additional installed capacity acquired during the period.

FOLLOWING PERIOD END

On 21 July 2017, the Company acquired a 5MW operational project known as Wally Corner in Berinsfield, South Oxfordshire. The asset was acquired from Ethical Power, a contractor the Investment Manager has worked with in the past. This acquisition was funded using the short-term revolving credit facility and will receive 1.2 ROC accreditation.

This now brings the total operational portfolio size to 475MW.

REGULATORY AND MARKET CHANGES

The past six months have seen new records being set for the level of solar production as well as in relation to the wider energy mix with historic lows for coal generation. According to the National Grid, Friday 21 April 2017 was the first working day without coal power since the Industrial Revolution.

The UK's total solar capacity has continued to grow even after the closure of the Renewable Obligation scheme, which closed to new solar projects at the end of March 2017. The ROC deadline led to many acquisitions and installations and while there is often a lag in the official statistics until all newly commissioned projects have been accredited which can take some months, there is now c.12GW of solar capacity in Great Britain with over 8GW in ground mounted solar.

Following the significant reduction of the Feed in Tariff for large scale solar and the lack of visibility of future CfD auctions, it is expected that there will be very limited new solar capacity added in the near future. However, there has been a marked increase in secondary market activity.

With the reduction in solar installation costs experienced in recent periods, industry participants are also working to develop unsubsidised projects and it is expected that the first of these projects will be commissioned in the next 12 months, either benefitting from private wire or PPA arrangements with corporates. In the short term however, the economic viability of unsubsidised projects will remain marginal and limited projects will be realised. This situation is expected to shift over time as the cost of solar panels and the balance of system continues to reduce, making projects cost competitive with other forms of electricity generation.

In March 2017, Ofgem launched its Targeted Charging Review consultation which will focus on network charging for embedded generation and could result in a Significant Code Review for the industry. This has the potential to materially affect the Embedded Benefits received by the Portfolio, but represent less than 2.5% of future annual revenue.

There are further material changes to the Capacity and Balancing markets which do not have a direct impact on the Portfolio, but which are likely to affect the future energy mix and therefore wholesale power prices.

The UK triggered Article 50 of the Lisbon Treaty on 29 March 2017 to formally initiate the two year process for withdrawing from the European Union ('Brexit'). The uncertainty generated by Brexit continue to effect the UK power market. It's unclear to what extent the UK market will remain integrated with the wider EU power market and therefore what the Impact on wholesale power prices will be. For the moment however, a number of interconnector projects with EU members are still being progressed, which is a positive indication. The Company will continue to carefully monitor any potential effects of Brexit.

On the 8 June 2017, the UK voted in a snap General Election in which the governing Conservative party lost its parliamentary majority. The purpose of calling the snap election was an attempt by the Prime Minister to strengthen the Governments' position in Brexit negotiations, but this unexpectedly resulted in a hung parliament with the Conservatives forming a minority government and having to team up with the Democratic Unionist Party of Northern Ireland. The effects of this election result are currently uncertain; however, the Company will continue to monitor the newly formed Government's renewable energy policies.

The General Election campaigns saw a focus on consumer energy costs, but limited discussion of decarbonisation or energy policy more generally so it is yet to be seen what direction the Government will take. The Government's Emissions Reduction Plan which is due to set out how it intends to meet the targets detailed in the Fifth Carbon Budget, was due to be released in the first half of 2017, but is now expected prior to the end of the year. Given the expectation that further renewable generation will be required to comply with the budget, the Commission for Energy Regulation may point to future markets or mechanisms to enable new renewable generating capacity, including solar.

POWER PRICES

Following a winter of relatively high power prices, the spot price has now returned to £42 per MWh as at 30 June 2017 (£50 per MWh December 2016).

The average power price achieved across the portfolio during the reporting period was £40.61 per MWh.

During the period 1 January 2017 to 30 June 2017 there was a downward movement of c. 5.3% in the medium to long term power price forecast. The Investment Manager uses forward looking power price assumptions to assess the likely future income of the portfolio assets for valuation purposes. The Company's assumptions are formed from a blended average of the forecasts provided by third party consultants and are updated on a quarterly basis. Between its IPO in October 2013 and 30 June 2017, the Company revised its power price forecasts downwards 11 times. The Investment Manager's forecast for future power prices remains 31.4% below the level at IPO. The Company's forecasts continue to assume an increase in power prices in real terms over the medium to long-term of 1.7% per annum (31 December 2016: 1.7%), driven by higher gas and carbon prices.

During the period, 61% of the Company's operational portfolio revenue came from the sale of ROCs and other green benefits to an offtaker. These revenues are directly and explicitly linked to inflation for 20 years from the accreditation date under the ROC regime and subject to Retail Price Index ("RPI") inflationary increases applied by Ofgem in April of each year.

The majority of the remaining 39% of revenues derive from electricity sales which are subject to wholesale electricity price movements. Electricity prices in the UK are a component of the RPI index basket of goods and services and as a result present a degree of correlation with the long term RPI. This direct indexation of revenues derived from ROC benefits and the degree of inflation linkage of the wholesale electricity price provides a significant percentage of cash flows correlated with long-term inflation.

PPAs are entered into between each individual solar power asset and offtakers in the UK electricity supply market. Under the PPAs, other than Shotwick, each asset will sell the entirety of the generated electricity and ROCs to the designated offtaker.

The Company's PPA strategy seeks to optimise revenues from the power generated, while keeping the flexibility to manage the portfolio appropriately. As of 30 June 2017, 16 of the 18 assets in the portfolio had in place a floating rate PPA expiring March 2021, which tracks market power prices. Wymeswold, which represents 7% of total installed capacity, has fixed price arrangements in place until Q3 2017. Shotwick has a short term floating PPA in place whilst metering works are carried out. Once these works are complete, Shotwick will join the other 16 sites on the long term floating rate PPA expiring in March 2021. The Company expects c. 50% of power generated from Shotwick to be sold through a private wire agreement to UPM at a premium to market prices.

The Investment Manager is constantly reassessing conditions in the electricity market and updating its view on likely future movements. The Company retains the option to fix the PPAs of its portfolio assets at any time. As part of the Investment Manager's ongoing efforts to maximise the commercial performance of the portfolio, a PPA tendering process across all assets has been undertaken. This process has seen a significant reduction in fees charged by our offtakers.

FUNDRAISING

In March 2017 the Company announced a Placing Programme relating to the issue of up to 250 million new Ordinary Shares over the next 12 months. An oversubscribed Initial Placing raised £78.5 million on 29 March 2017.

Date	**Placing Price**	**Shares Issued (million)**	**Funds Raised**
30 June 2016 (cumulative)	–	281.8	£284.9m
13 September 2016	102.9 pence	28.2 Treasury Shares	£28.9m
28 October 2016	103.0 pence	31.0 New Shares	£31.9m
29 March 2017	107.8 pence	72.8 New shares	£78.5m
30 June 2017 (cumulative)	–	413.0	£424.2m

GROSS ASSET VALUE ("GAV")

The GAV of the Company is £433.4 million as at 30 June 2017. The reconciliation below shows the GAV as it would be on a consolidated basis when all external debt at the intermediate holding level is included. There is no external debt at asset level.

GAV of Company	£433.40m
Less: Valuation of Investment	(£376.61m)
Add: Valuation of underlying solar portfolio	£582.70m
Less: other net assets of subsidiaries	(£14.23m)
GAV of Company and Subsidiaries	£625.26m

THIRD PARTY DEBT ARRANGEMENTS

LONG TERM FACILITIES

The current long-term facilities at a subsidiary level are shown in the table below. Macquarie Infrastructure Debt Investment Solutions ("MIDIS") and Abbey National Treasury Services ("Santander") are the providers of these loans.

Long- Term Lender	Tranche	Size	Maturity Dates	Applicable Rate
MIDIS	Fixed-rate, fully amortising	£63m	March 2034	3.78%
MIDIS	Inflation linked, fully amortising	£63m	March 2034	RPI index + 1.08%
Santander	Term Loan, fully amortising	£34m	March 2024	LIBOR + 1.70%

The Term Loan tranche is priced over the London Interbank Offered Rate ("LIBOR") and benefits from an interest rate swap hedging 80% of the outstanding debt during the term of the loan. At 30 June 2017 the average cost of long-term debt was 2.39% per annum.

As at 30 June 2017, the total outstanding long-term debt was £155.8 million, representing 25% of GAV of the Company and Subsidiaries.

In addition, the terms under which the debt has been secured do not limit the Company's flexibility and have not caused it to compromise on any commercial terms that would be potentially disadvantageous. The Company is fully able to maintain its strategy of retaining exposure to UK power prices through PPAs that do not require mechanisms such as fixed prices or price floors.

ACQUISITION FACILITIES

On 23 February 2017, a subsidiary of the Company entered into a new, short-term revolving credit facility with Santander at a favourable rate of LIBOR + 2.00%.

Below is a summary of the short term facilities to date:

Short –Term Lenders	Size	Maturity Dates	Applicable rate
Santander	£40m	March 2019	LIBOR + 2.05%
Santander	£55m	February 2020	LIBOR + 2.00%

The applicable rate of 2.00% represents a decrease of five basis points against the average applicable rate of the revolving facilities refinanced in April 2016.

The credit facilities provide additional financial flexibility for future pipeline opportunities. Of the total £95.0 million acquisition facility, £67.5 million was repaid by 30 June 2017, leaving £27.5 million outstanding. At the 30 June 2017 the all-in annualised cost of the short term facilities was 1.69%. The Investment Manager expects to refinance the remaining balance either through future equity raisings or other long term refinancing arrangement.

As at 30 June 2017, the total outstanding debt, including short term facilities, was £183.3 million, representing 29% of GAV.

DIVIDENDS

At the time of the IPO, the Company targeted a 6.0 pence annual dividend per Ordinary Share increasing in line with inflation from 1 January 2014, net of all fees and expenses. Since the IPO, the Company has met all target dividends. The Company is targeting a full year dividend for the period ending 31 December 2017 of 6.32 pence.

DIVIDEND TIMETABLE FOR THE PERIOD 1 JANUARY 2017 TO 31 DECEMBER 2017

Dividend	Amount	Status	Payment Date
Interim 1	1.58 pence	Approved	25 August 2017
Interim 2	1.58 pence	Expected	24 November 2017
Interim 3	1.58 pence	Expected	February 2018
Interim 4	1.58 pence	Expected	May 2018
TOTAL	**6.32 pence**		

The first quarterly dividend of 1.58p was approved by the Board on the 12 June 2017 and will be paid on 25 August 2017.

Dividend Timetable 2017 – Interim 1	Date
Ex-dividend Date	10 August 2017
Record Date	11 August 2017
Payment Date	25 August 2017
Dividend Timetable 2017 – Interim 2	**Date**
Ex-dividend Date	9 November 2017
Record Date	10 November 2017
Payment Date	24 November 2017

The Company remains on target to pay the full dividend for the year.

DIVIDEND COVER

Due to seasonality of cash flows the Investment Manager only provides dividend cover analysis over a 12 month period, in the Annual Report.

Total dividends of £16.4 million were paid in the year to 30 June 2017. Against the relevant net cash flows of the Company and underlying investments, these dividends were covered 1.34 times when dividends paid to newly issued equity are excluded.

Only three dividends were paid during the year to June 2017 due to a change in the dividend timetable. Including the fourth dividend related to the period, this would have equated to a dividend cover of 1.01 times, before any financial compensation is included. Including the financial compensation, the dividend cover is 1.06 times.

ONGOING CHARGES

The ongoing charges ratio for the year to 30 June 2017 is 1.20% (2016: 1.21%). This has been calculated using methodology as typically recommended by the Association of Investment Companies (“AIC”). Foresight Group LLP charge Asset Management Fees directly to the assets. These fees are not included within the ongoing charge ratio. These fees are disclosed on a regular basis and are charged at levels materially below that of other listed renewable funds.

BASE EROSION AND PROFIT SHIFTING (“BEPS”)

Over the last 18 months Foresight has contributed to the Infrastructure Forum’s response to the Treasury’s proposed legislation regarding the OECD’s BEPS recommendations.

New rules determining the tax deductibility of corporate interest expense were due to be included in the Finance Bill 2017. These provided some clarity and the Investment Manager expects that the portfolio will be subject to a new Fixed Ratio Rule, which broadly limits the amount of deductible interest to a level equivalent to 30% of EBITDA. However, due to the sudden general election the new rules were dropped from the Finance Bill and are now expected to be introduced in the Autumn. A further update on the likely impact on the Company will be provided in the Annual Report once details are confirmed.

INVESTMENT PERFORMANCE

The NAV per share for the Company as at 30 June 2017 increased to 104.6 pence compared to 102.9 pence as at 31 December 2016.

MOVEMENTS IN NAV

A breakdown in the movement of the NAV during the reporting period is shown in the table below.

	NAV	NAV per share
NAV as at 31 Dec 2016	**350,769,982**	**102.9p**
Dividend paid	(6,413,924)	(1.5)p
Equity raise	76,876,750	0.0p
Interest earned	15,923,611	4.2p
Management fee	(2,176,511)	(0.6)p
Finance costs	(3,474,825)	(1.0)p
Other cost (incl. Corporation Tax)	(3,960,972)	(1.0)p
Inflation assumption	(998,142)	(0.3)p
Acquisitions	10,717,322	3.1p
Valuation date	1,176,653	0.3p
Performance Ratio ("PR")	3,232,543	0.8p
Power curve	(18,712,974)	(4.9)p
Discount Rate	12,204,409	2.9p
Other movements	(2,365,083)	(0.3)p
NAV as at 30 June 2017	**432,798,841**	**104.6p**

VALUATION OF THE PORTFOLIO

The Investment Manager is responsible for providing fair market valuations of the Company's underlying assets to the Directors. The Directors review and approve these valuations following appropriate challenge and examination. Valuations are undertaken quarterly. 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, be it economic or technical.

The current portfolio consists of non-market traded investments and valuations are based on a Discounted Cash Flow ("DCF") methodology. This methodology adheres to both IAS 39 and IFRS 13 accounting standards as well as International Private Equity and Venture Capital ("IPEV") Valuation Guidelines.

It is the policy of the Investment Manager to value with reference to Discounted Cash Flows ("DCF") at the later of commissioning or completion. The reason for 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 upon which the Company's acquisition of assets is usually contingent. 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.

The Company's Board reviews the operating and financial assumptions, including the discount rates, used in the valuation of the Company's portfolio and approves them based on the recommendation of the Investment Manager. These assumptions are reviewed as part of the annual audit by KPMG.

VALUATION SENSITIVITIES

Where possible, assumptions are based on observable market and technical data. In many cases, such as the forward power prices, professional independent advisors are used to provide reliable and evidenced information allowing the Investment Manager to adopt a prudent approach. We set out the inputs we have ascertained would have a material effect upon the NAV in note 16 of the financial statements. All sensitivities are calculated independently of each other.

DIVIDEND PAID

The Company paid dividends of £6.4 million during the period 1 January 2017 to 30 June 2017.

EQUITY RAISE

In March 2017 a Share Placing took place, raising net proceeds of £76.9m from new and existing investors.

INTEREST EARNED

On a consolidated basis the Group accrued £15.9 million of investment income during the reporting period.

COSTS

Total costs of £9.6 million which include management fees, finance costs and other costs were incurred by the Group on a consolidated basis during the period.

INFLATION ASSUMPTIONS

At the end of June 2016 the Investment Manager increased its medium/long-term inflation assumption from 2.50% to 2.75% this remains unchanged as at 30 June 2017. This movement represents updates to our valuation models as a result of changes to published actual inflation levels.

ACQUISITIONS
During the period the Company made two significant acquisitions, Shotwick and Sandridge. These acquisitions brought an uplift of £10.7 million to the NAV calculation representing the difference between the acquisition price paid and the current valuation.

VALUATION DATE
This movement represents the impact of moving from one valuation date to another. Over the life of the asset this movement will reduce the asset valuation to nil. Short term increases arise from moving towards higher cash yields (and therefore discounting them less).

PERFORMANCE RATIO
The performance ratio assumptions in the valuation models have historically been linked to contractually guaranteed performance and the initial technical due diligence findings at the time of acquisition. The long term assumptions are adjusted on an ongoing basis as more data becomes available, recognising the actual performance ratios experienced across the portfolio on an asset by asset basis. This approach is applied on a quarterly basis to ensure valuation assumptions better reflect the actual performance of the sites. The conservative movements in assumed performance ratios are implemented at a rate that ensures short term fluctuations do not inflate performance potential. Assumed performance ratios can move up as well as down.

POWER PRICE
The Company's power price assumptions are formed from a blended average of the forecasts provided by third party consultants.

Following a winter of relatively high power prices the spot price returned to £42 per MWh at the 30 June 2017. There remains volatility within the spot market, especially during the early morning and evenings. As hours of sunlight reach their peak, the portfolio does marginally benefit from this. The average power price achieved during the first half of the year was £40.61 per MWh.

For the six month period the Manager made downwards revisions in the long term power price forecast representing an average fall in prices of 5.3%.

The Company's forecasts continue to assume an increase in power prices in real terms over the medium to long-term of 1.7% per annum (2016: 1.7%).

DISCOUNT RATE
The Company's equity discount rate was reduced by 0.25% to 7.25% to reflect the current macro-economic environment and the increasing market value for UK operating solar assets. The Investment Manager believes the discount rate appropriately reflects current market valuations, the risk profile of the operational assets that have been acquired, and the total installed capacity at portfolio level and asset diversification. The Investment Manager reviews the discount rate on a regular basis to ensure it remains in line with any changes to the risk profile of the Company and any changes in the macro-economic environment.

OTHER MOVEMENTS
This includes other factors behind the valuation movement such as revisions in underlying assumptions regarding operational efficiencies, such as insurance.

PIPELINE AND OUTLOOK
The UK solar sector experienced another period of significant growth driven by the closure of the Renewable Obligation scheme to new solar projects in March 2017. The growth in total installed capacity was predominantly achieved by the commissioning of solar parks of up to 5MW in capacity and accredited under the 1.2 ROCs regime. This resulted in the total installed solar capacity in the UK reaching c.12GW, with over 8GW of large scale solar.

Following the closure of the Renewable Obligation scheme the sector will enter a period of limited regulatory support for new installed capacity as solar technologies are not expected to receive allocation in the upcoming CfD auction, based on the information published by BEIS in relation to the second CfD allocation round.

In addition to the pipeline of 1,2 ROC portfolios commissioned by March 2017, there has been a marked increase in secondary market activity with over 1GW of operational portfolios available for sale in the market over the past six months. Market analysis shows these large portfolios are being held by planned exit investors, including EPC contractors and panel manufacturers.

The level of activity in the secondary market will continue in the short and medium term with 1 to 2GW of operational projects expected to be sold in the next 12 to 18 months. With the scarcity value of UK operational portfolios increasing the Company will maintain a prudent approach to acquisitions in the UK secondary market and making its investment decisions based on NAV accretive projects within the remit of the Company investment mandate.

As the UK enters a period of limited new regulatory support, global solar markets continue to expand. In 2016 78 GW of new installed capacity was commissioned globally, representing the tenth consecutive year of growth of solar installation rates, resulting in a total global solar installed capacity in excess of 300GW.

Investment opportunities in markets outside of the UK are expected to deliver value-accretive growth opportunities while adding further diversification to the Company's investment portfolio.

Any acquisition in jurisdictions outside of the UK will be priced taking into account the cost of managing and mitigating currency risk through hedging strategies where appropriate. New acquisitions will be in line with the Company's investment policy and expected to deliver risk-adjusted returns in line with current UK assets.

The Investment Manager is currently reviewing a pipeline of more than 500MW of potential investments in the UK and other international markets including Western Europe, Australia and the USA, sourced through the Investment Manager's local presence in each market and existing relationships with asset managers, contractors and developers that build solar power plants.

Asset Manager's Report

PORTFOLIO PERFORMANCE

Total electricity production for the period amounted to 223.5 GWh and was 8% below expectations, but once compensation is included the normalised production is equivalent to 1.9% below expectations. This short term underperformance was largely attributable to specific issues at a handful of sites. The Company remains confident in long term production targets.

The Asset Manager is confident that all LDs received to date will more than compensate the Fund for losses incurred while performing rectification works. The Company has received c. £3 million from EPC contractors to compensate for lost production across five sites. This amount was funded by the claim submitted to the EPC contractors. This amount is not included in the NAV or cashflow analysis.

Overall the Asset Manager is extremely pleased with the progress made in rectifying known problems and expects production to exceed technical assumptions in the medium to long term.

The production expectations of the Asset Manager are set at the time of acquisition and are not adjusted for reporting purposes. The specific issues identified in the first half of the year, have been resolved quickly by the Asset Manager and its operators. The production figures disclosed do not take into account compensation due, or already received, by the Company. Compensation takes the form of insurance proceeds or contractual protections provided by EPC contractors in the form of Liquidated Damages ("LDs"). Insurance proceeds are recognised upon receipt and LDs will only be recognised once technical advisors confirm that the plants are no longer suffering from the problems that caused the LDs to be payable. LDs are payable by EPC contractors based on the recorded performance of the plants over the first two years of operations and compensate the owner for extrapolated losses over a 25 year term based on the initial performance.

IRRADIATION

Annual irradiation forecasts are subject to an approximate 4% standard deviation against long term historical averages across a 12 month period. This means that annual variation of irradiation is typically less than 4%, but occasionally can be more. This can be seen in the table below.

The table below sets out the performance of the portfolio for the period.

OVERVIEW OF PORTFOLIO PERFORMANCE

	Irradiation Variance	Production (MW hours)	Production Variance	Adjusted Production Variance*
Atherstone	0.3%	7,306	-0.1%	-0.1%
Bournemouth	-3.9%	20,853	-1.5%	-1.5%
Castle Eaton	-1.9%	7,606	-16.0%	-3.0%
Copley Farm	-1.4%	14,890	-1.3%	-1.3%
High Penn	-2.6%	3,534	-30.8%	-4.2%
Highfields farm	-0.4%	4,906	-23.4%	-2.6%
Hunters Race	1.3%	5,872	2.1%	2.1%
Kencot Hill	-1.5%	19,202	0.2%	0.2%
Landmead	3.8%	23,577	2.7%	2.7%
Membury	-3.1%	8,509	-3.1%	-3.1%
Paddock Wood	4.4%	5,285	7.4%	7.4%
Pitworthy Farm	-8.4%	5,222	-38.4%	-1.0%
Port Farms	-1.7%	17,999	-1.6%	-1.6%
Southam	-2.3%	4,960	-4.8%	-4.8%
Spriggs Farm	-0.8%	5,263	-17.0%	-17.0%
Wymeswold	-3.0%	16,606	-1.8%	-1.8%
Shotwick	-2.4%	27,275	-24.4%	-2.9%
Sandridge	-0.6%	24,625	-5.3%	-5.3%
Total		**223,490**	**-8.0%**	**-1.9%**
Weighted Average	**-1.43%**			

* Adjusted production is calculated by including production losses covered under insurance or EPC contracts

SHOTWICK

A transformer failure on 16 March 2017 prevented the site from generating for a 28 day period. In line with the Asset Manager's strategy of ensuring essential replacements are readily available, the requirement for a spare transformer was identified prior to acquisition and the equipment was already on order at the time of the failure. The length of the outage was unusual due to the long lead time for the specific parts. The site now has protections in place, similar to all other assets, to cover such an incident occurring In future.

CASTLE EATON, HIGH PENN, HIGHFIELDS AND PITWORTHY

The Asset Manager had previously identified varying degrees of underperformance across Castle Eaton, High Penn, Highfields and Pitworthy – the four sites constructed by SunEdison. The reasons behind the underperformance were quickly identified and the relevant notifications made to the EPC contractor at the appropriate time. The Asset Manager remains confident that the decline in performance will be reversed.

By 1 January 2017 the Investment Manager had appointed Brighter Green Engineering ("BGE") as O&M contractor for the four assets. Since then BGE has successfully completed a range of remedial works throughout the sites. These works have resulted in a significant improvement in technical performance but, in carrying them out, availability and production levels have been reduced during the period. Across three of the sites where works are suitably advanced, the performance ratios have increase by an average of 2.3% compared to the performance during the first two years of operations. The Asset Manager expects these works to continue into the winter, but is confident that damages already received from the EPC contractor will compensate for the cost of these works and the lost production over the year.

SPRIGGS FARM

As disclosed in the 2016 Annual Report, Potential Induced Degradation ("PID") was identified as one of the causes of underperformance at Spriggs Farm.

PID is a widely acknowledged module defect that, if not resolved, causes the PV modules to degrade faster than would usually be expected, reducing their efficiency over time. The effects of PID can be stopped or reversed (with the EPC contractor required to meet the cost if identified at an appropriate stage) through the implementation of site-specific technical solutions.

The Investment Manager has been working closely with the EPC contractor; remedial works on site have been carried out and are materially completed. Results are encouraging and show a continuous improvement in technical performance on a monthly basis.

Spriggs Farm also suffered from transformer failures during the period. By 30 June 2017, all defective transformers had either been fully refurbished or replaced, and were operating at 100% availability.

The Asset Manager is now processing a claim against the EPC in relation to the failures.

SANDRIDGE
On 18 April 2017, approximately 7% of the site was affected by a localised fire. The damage was repaired and the site returned to full capacity at the cost of the EPC contractor. The site also suffered from some short term grid disconnections due to major upgrades of local infrastructure. The Investment Manager was aware of the upgrades prior to acquisition and the vendor will compensate the project for lost revenue related to grid works during 2017 and 2018.

PORTFOLIO OPTIMISATION
During the period the Asset Manager has run a number of concurrent processes to maximise the free cash being generated by the portfolio. As well as focusing on increasing the technical efficiency of the sites, the asset management team has been able to significantly improve the commercial terms across a number of contracts.

The size of the portfolio, the average MW per site under management and the scale of the Asset Management operations allows for a cost efficient structure at asset level at very competitive rates in the UK market.

POWER PURCHASE AGREEMENTS
To date, the Company has adopted a PPA strategy that seeks to optimise revenues from power generated, whilst maintaining the flexibility to manage a rapidly growing portfolio appropriately.

As at 30 June 2017, 16 out of 18 assets in the portfolio have in place a floating rate PPA expiring in March 2021. Through such PPAs, the Company is able to take advantage of wholesale market movements through the flexibility of being able to fix power prices at any point in time. As a result, the risk of dividend reductions from significant downward movements in price is successfully mitigated. It should also be noted that the PPAs provide the flexibility to incorporate new technologies such as batteries and storage, which may provide potential upside in the future.

MAXIMISING VALUE THROUGH THE FINAL ACCEPTANCE CERTIFICATE ("FAC") PROCESS
As further assets in the portfolio approach the end of the two year EPC warranty period in preparation for the issuance of a Final Acceptance Certificate ("FAC"), Foresight continues to carry out a rigorous analysis of the site. This aims to identify any possible defects and ensure construction, planning and all equipment is in-line with contractual obligations. In addition to a thorough site audit by Foresight's engineers and a full evaluation of performance data for the asset, the modules are tested by an accredited laboratory and independent experts test the high voltage equipment including transformers and switchgear. If deemed necessary cables are tested for insulation faults. Through this process, the Asset Manager has become aware of issues, minor in many cases. Subsequently, the EPC contractor is notified of any operational underperformance relative to the levels guaranteed at acquisition, or defects with the plant. Before the FAC is issued, the Asset Manager negotiates with the EPC contractor for the remedy of any faults or seeks to enforce the financial settlement agreed in the EPC contract to fully compensate the Company for any lost earnings likely to be incurred as a result of underperformance over the life of the asset.

Through its extensive operating experience, the Asset Manager has managed the FAC process with numerous EPC contractors and fully utilises the opportunity presented to support the future value of the assets in the Company's portfolio and safeguard their long term performance.

USEFUL ECONOMIC LIFE OF ASSETS
The DCF methodology used to value the assets within the portfolio assumes a 25-year asset life with no residual value at the end of this period. This assumption is based upon the market standard lease terms for the properties on which the Company's solar assets are located and planning consent periods initially granted by local planning offices.

The Investment Manager believes that this is a sensible approach, however there are several factors that could justify the incorporation of residual value within the portfolio valuation including:

- The useful operating life of the equipment in the portfolio is anticipated to be, according to independent technical advisers, up to 40 years.
- All of the assets' connection agreements provide the right to generate electricity into the grid with no specified expiry date; and
- Six of the lease agreements in place have the option to extend beyond the initial consented period to an average of 35 years.

As such, the Asset Manager has begun to explore the option of extending leases and planning authority across the portfolio. Six sites, which together represent 32% of installed portfolio capacity, already have in place extended lease periods and planning authority for periods ranging from 30 to 40 years from the start of operations. Applying the current discount rate and extending current model assumptions as well as incorporating enhanced capital expenditure to a capped life of 35 years would have an immediate uplift on NAV of 3.2 pence.

For illustration purposes, in addition to incorporating the extensions mentioned above, if the remaining 12 assets were to be valued on a 35-year basis from connection, the Company's NAV would increase by 10.1 pence. The table below illustrates the impact on NAV should the extended asset lives be recognised

NAV (using current lease assumptions)	Alternate NAV (recognising extended life where lease and planning already available; 6 assets)	Alternate NAV (recognising extended life of all other assets)
104.6p	107.8p	114.7p

The Investment Manager expects to incorporate lease extensions into the valuations as and when it is comfortable with the underlying assumptions relevant to the extended periods of time.

BRIGHTER GREEN ENGINEERING

Brighter Green Engineering has ultimate Shareholders in common with Foresight Group although they operate as separate entities and share no common executive personnel. The tender process of O&M contracts for Foresight's assets remains competitive and these are awarded on merit.

Further to the reduction in cost that the new O&M contracts bring, BGE offers strong technical expertise and market leading incident response times. BGE provides a comprehensive scope of work in excess of that typically offered by competitors.

We expect efficiencies to be secured for the remaining assets in the portfolio once the existing O&M contractual terms reach either the end of their two year guaranteed performance period, when applicable, or final contract term, further reducing costs to the Company.

As at 30 June 2017, Brighter Green Engineering ("BGE") is appointed as O&M contractor to nine out of 18 assets in the portfolio, which represent 188MW of total installed capacity.

The Company is renegotiating its O&M arrangements as part of contractual benchmarking options and expect to conclude the process before year end resulting in additional savings for the Company.

Principal Risks and Uncertainties

The Directors consider the following as relevant risks and uncertainties and mitigants to the Company at this time:

- Risks relating to regulatory changes in the UK electricity market
- Risks relating to the sale of electricity
- Risks relating to gearing
- Risks relating to RPI
- Risks relating to operation and maintenance contracts
- Risks relating to the taxation of the Company

More detailed information on the risks and uncertainties affecting the Company can be found on pages 19-37 of the Company's recent Prospectus issued on the 3 March 2017 and the Risk Management section in the Company's latest Full Year Results Report dated 31 December 2016.

Directors

The Directors, who are Non-Executive and, other than Mr Dicks, independent of the Investment Manager, 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.

CHRIS AMBLER

Mr Ambler has been the Chief Executive of Jersey Electricity Plc since 1 October 2008. He has experience in a number of senior positions in the global industrial, energy and materials sectors working for major corporations including ICI/Zeneca, The BOC Group and Centrica/British Gas, as well as in strategic consulting roles. He is a Director on other boards including a Non-Executive Director of Apax Global Alpha Limited, a listed fund which launched on the London Stock Exchange on 15 June 2015.

Mr Ambler is a Chartered Director, 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 2010 and since then he has continued to serve on the Board of the now merged Foresight VCT plc. He is also on the Board of ICG Enterprise Trust plc and Mears Group plc. and Chairman of Unicorn AIM VCT plc, and SVM Emerging Fund.

Mr Dicks was appointed as a Non-Executive Director on 16 August 2013.

Asset Summaries

Wymeswold, Leicestershire

Ownership 100%

ROCs 2.0/1.4

Acquisition Date November 13/March 15
Solar Panels 142,000
Technology Polycrystalline Silicon
Panel Supplier Trina Solar; Suntech Power
EPC Party Lark Energy
O&M Counterparty Brighter Green Engineering
Inverter Supplier LTi REEnery
Grid Operator Western Power Distribution

Castle Eaton, Wiltshire

Ownership 100%

ROCs 1.6

Acquisition Date June 14
Solar Panels 60,000
Technology Polycrystalline Silicon
Panel Supplier Canadian Solar
EPC Party SunEdison
O&M Counterparty Brighter Green Engineering
Inverter Supplier Bonfiglioli
Grid Operator Southern Electric Power

Highfields, Essex

Ownership 100%

ROCs 1.6

Acquisition Date June 14
Solar Panels 38,000
Technology Monocrystalline
Panel Supplier SunEdison
EPC Party SunEdison
O&M Counterparty Brighter Green Engineering
Inverter Supplier Ingeteam
Grid Operator UK Power Networks

High Penn, Wiltshire

Ownership 100%
ROCs 1.6
Acquisition Date June 14
Solar Panels 30,000
Technology Monocrystalline
Panel Supplier SunEdison
EPC Party SunEdison
O&M Counterparty
Brighter Green Engineering
Inverter Supplier Bonfiglioli
Grid Operator
SSE Power Distribution
UK Power Networks

Pitworthy, North Devon

Ownership 100%
ROCs 1.4
Acquisition Date June 14
Solar Panels 48,000
Technology Monocrystalline
Panel Supplier SunEdison
EPC Party SunEdison
O&M Counterparty
Brighter Green Engineering
Inverter Supplier Bonfiglioli
Grid Operator
Western Power Distribution

Hunters Race, West Sussex

Ownership 100%
ROCs 1.4
Acquisition Date September 14
Solar Panels 41,000
Technology Polycrystalline Silicon
Panel Supplier Hareon Solar
EPC Party Hareon Solar
O&M Counterparty
Brighter Green Engineering
Inverter Supplier Power One
Grid Operator
SSE Power Distribution

Spriggs Farm, Essex

Ownership 100%
ROCs 1.6
Acquisition Date November 14
Solar Panels 50,000
Technology Polycrystalline Silicon
Panel Supplier Talesun
EPC Party Bester Generation
O&M Counterparty
Brighter Green Engineering
Inverter Supplier Green Power Tech
Grid Operator
UK Power Networks

Bournemouth, Dorset

Ownership 100%
ROCs 1.4
Acquisition Date December 14
Solar Panels 146,000
Technology Polycrystalline Silicon
Panel Supplier REC
EPC Party Goldbeck
O&M Counterparty
Brighter Green Engineering
Inverter Supplier SMA
Grid Operator
SSE Power Distribution

Landmead, Oxfordshire

Ownership 100%
ROCs 1.4
Acquisition Date December 14
Solar Panels 483,000
Technology Thin film
Panel Supplier First Solar
EPC Party Belectric
O&M Counterparty Belectric
Inverter Supplier
GE Power Conversion
Grid Operator
SSE Power Distribution

Kencot, Oxfordshire

Ownership 100%
ROCs 1.4
Acquisition Date March 15
Solar Panels 144,000
Technology Polycrystalline Silicon
Panel Supplier Astronergy
EPC Party Conergy
O&M Counterparty
Brighter Green Engineering
Inverter Supplier SMA
Grid Operator
Southern Electric Power

Copley, Lincolnshire

Ownership 100%
ROCs 1.3
Acquisition Date June 15
Solar Panels 115,200
Technology Polycrystalline Silicon
Panel Supplier Renesola
EPC Party Cofely Fabricom
N.V./S.A
O&M Counterparty
Cofely Fabricom N.V./S.A
Inverter Supplier SMA
Grid Operator
Western Power Distribution

Atherstone, Warwickshire

Ownership 100%
ROCs 1.4
Acquisition Date July 15
Solar Panels 154,200
Technology Thin film
Panel Supplier First Solar
EPC Party Belectric
O&M Counterparty Belectric
Inverter Supplier SMA
Grid Operator
Western Power Distribution

Paddock Wood, Kent

Ownership 100%
ROCs 1.4
Acquisition Date July 15
Solar Panels 97,200
Technology Thin film
Panel Supplier First Solar
EPC Party Belectric
O&M Counterparty Belectric
Inverter Supplier SMA
Grid Operator
UK Power Networks

Southam, Warwickshire

Ownership 100%
ROCs 1.4
Acquisition Date July 15
Solar Panels 103,350
Technology Thin film
Panel Supplier First Solar
EPC Party Belectric
O&M Counterparty Belectric
Inverter Supplier SMA
Grid Operator
Western Power Distribution

Port Farm, Wiltshire

Ownership 100%
ROCs 1.4
Acquisition Date August 15
Solar Panels 135,768
Technology Polycrystalline Silicon
Panel Supplier ReneSola
EPC Party Renesola UK Limited
O&M Counterparty
Renesola UK Limited
Inverter Supplier Schneider
Electric
Grid Operator
SSE

Membury, Berkshire

Ownership 100%
ROCs 1.4
Acquisition Date September 15
Solar Panels 63,288
Technology Polycrystalline Silicon
Panel Supplier ReneSola
EPC Party Renesola UK Limited
O&M Counterparty
Renesola UK Limited
Inverter Supplier ABB
Grid Operator
SSE

Shotwick, Flintshire

Ownership 100%
ROCs 1.3
Acquisition Date February 17
Solar Panels 227,728
Technology Polycrystalline Silicon
Panel Supplier Jetion
EPC Party China Triumph International Engineering Corporation ("CTIEC")
O&M Counterparty CTIEC
Inverter Supplier SMA
Grid Operator
Scottish Power

Sandridge, Wiltshire

Ownership 100%
ROCs 1.3
Acquisition Date February 17
Solar Panels 191,760
Technology Polycrystalline Silicon
Panel Supplier
Canadian Solar Inc: S-Energy
EPC Party Goldbeck
O&M Counterparty Goldbeck
Inverter Supplier Schneider Electric
Grid Operator
SSE

Statement of Directors' Responsibilities

For the period 1 January 2017 to 30 June 2017

The Disclosure Guidance and Transparency Rules ("DTR") of the UK Listing Authority require the Directors to confirm their responsibilities in relation to the preparation and publication of the Unaudited Half-Yearly Financial Report for the six months ended 30 June 2017.

The Directors confirm to the best of their knowledge that:

(a) the summarised set of financial statements has been prepared in accordance with the pronouncement on interim reporting issued by the Accounting Standards Board;

(b) the Unaudited Half-Yearly Financial Report for the six months ended 30 June 2017 includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months of the year and a description of principal risks and uncertainties that the Company faces for the remaining six months of the year);

(c) the summarised set of financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as required by DTR 4.2.4R; and

(d) the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

For and behalf of the Board

Alexander Ohlsson
Chairman
15 August 2017

Statement of Comprehensive Income

For the period 1 January 2017 to 30 June 2017

	Notes	**Unaudited Period 1 January 2017 to 30 June 2017 £'000**	Unaudited Period 1 January 2016 to 30 June 2016 (Restated) £'000	Unaudited Period 1 January 2016 to 31 December 2016 £'000
Revenue				
Interest income	4	**17,366**	14,253	29,462
Gain / (Loss) on investments at fair value through profit or loss	14	**(4,222)**	(3,254)	4,775
		13,144	10,999	34,237
Expenditure				
Management fees	5	**(1,306)**	(1,396)	(3,054)
Administration and accountancy expenses	6	**(134)**	(75)	(228)
Directors' fees	7	**(73)**	(76)	(140)
Other expenses	8	**(162)**	(161)	(76)
Total expenditure		**(1,675)**	(1,708)	(3,498)
Profit before tax for the year		**11,469**	9,291	30,739
Taxation		**-**	-	-
Profit and total comprehensive income for the year		**11,469**	9,291	30,739

Earnings per Ordinary Share (pence per Share)	9	**3.04**	3.30	10.38

All items above arise from continuing operations, there have been no discontinued operations during the year.

The accompanying notes form an integral part of these Financial Statements.

Statement of Financial Position

As at 30 June 2017

	Notes	**Unaudited 30 June 2017 £'000**	Unaudited 30 June 2016 (Restated) £'000	Unaudited 31 December 2016 £'000
Assets				
Non-current assets				
Investments held at fair value through profit or loss	14	**372,092**	254,905	273,614
Total non-current assets		**372,092**	254,905	273,614
Current assets				
Interest receivable	10	**50,391**	18,888	33,044
Trade and other receivables	11	**5,513**	4,128	4,847
Cash and cash equivalents	12	**5,401**	2,871	39,381
Total current assets		**61,305**	25,887	77,272
Total assets		**433,397**	280,792	350,886
Equity				
Retained earnings		**16,822**	343	11,767
Stated capital	17	**415,977**	279,403	339,003
Total equity		**432,799**	279,746	350,770
Liabilities				
Current liabilities				
Trade and other payables	13	**598**	1,046	116
Total current liabilities		**598**	1,046	116
Total liabilities		**598**	1,046	116
Total equity and liabilities		**433,397**	280,792	350,886
Net Asset Value per Ordinary Share	18	**104.59**	99.27	102.88

The Financial Statements were approved by the Board of Directors and signed on its behalf on 15 August 2017 by:

Alexander Ohlsson
Chairman

The accompanying notes form an integral part of these Financial Statements.

Statement of Changes in Equity

For the period 1 January 2017 to 30 June 2017 (unaudited)

	Notes	Stated Capital £'000	Retained Earnings £'000	Total £'000
Balance as at 1 January 2017		**339,003**	**11,767**	**350,770**
Total comprehensive income for the period: Profit for the period		**-**	**11,469**	**11,469**
Transactions with owners, recognised directly in equity:				
Dividends paid in the period	21	**-**	**(6,414)**	**(6,414)**
Issue of Ordinary Shares	17	**78,497**	**-**	**78,497**
Issue costs	17	**(1,523)**	**-**	**(1,523)**
Balance as at 30 June 2017		**415,977**	**16,822**	**432,799**

For the period 1 January 2016 to 30 June 2016 (Restated):

	Notes	Stated Capital £'000	Retained Earnings £'000	Total £'000
Balance as at 1 January 2016:		279,403	(297)	279,106
Total comprehensive income for the period: Profit for the period		-	9,291	9,291
Transactions with owners, recognised directly in equity:				
Dividends paid in the period	21	-	(8,651)	(8,651)
Issue of Ordinary Shares	17	-	-	-
Issue costs	17	-	-	-
Balance as at 30 June 2016		279,403	343	279,746

For the period 1 January 2016 to 31 December 2016 (unaudited):

	Notes	Stated Capital £'000	Retained Earnings £'000	Total £'000
Balance as at 1 January 2016:		279,403	(297)	279,106
Total comprehensive income for the year: Profit for the year		-	30,739	30,739
Transactions with owners, recognised directly in equity:				

Dividends paid in the year	21	-	(18,675)	(18,675)
Issue of Ordinary Shares	17	60,781	-	60,781
Issue costs	17	(1,181)	-	(1,181)
Balance as at 31 December 2016		339,003	11,767	350,770

The accompanying notes form an integral part of these Financial Statements.

Statement of Cash Flows

For the period 1 January 2017 to 30 June 2017

	Unaudited Period 1 January 2017 to 30 June 2017 £'000	Unaudited Period 1 January 2016 to 30 June 2016 (Restated) £'000	Unaudited Period 1 January 2016 to 31 December 2016 £'000
Profit for the year before tax from continuing operations	**11,469**	9,291	30,739
Adjustments for:			
Unrealised loss/(gain) on investments	**4,222**	3,254	(4,775)
Investment income	**(17,366)**	(14,253)	(29,462)
Operating cash flows	**(1,675)**	(1,708)	(3,498)
(Increase)/decrease in trade and other receivables	**(666)**	8,024	7,305
Decrease/(increase) in trade and other payables	**482**	770	(160)
Net cash (outflow)/inflow from operating activities	**(1,859)**	7,086	3,647
Investing activities			
Increase in loan notes to subsidiary	**-**	(34,000)	(34,000)
(Increase)/decrease in shareholder loan to/from subsidiary	**(102,700)**	25,501	14,821
Investment income received	**19**	10	1,064
Net cash outflow from investing activities	**(102,681)**	(8,489)	(18,115)
Financing activities			
Dividends paid	**(6,414)**	(8,651)	(18,675)
Issue costs paid	**(1,523)**	-	(1,181)
Proceeds from issue of shares	**78,497**	-	60,781
Net cash inflow/(outflow) from financing activities	**70,560**	(8,651)	40,925
Net (decrease)/increase in cash and cash equivalents	**(33,980)**	(10,054)	26,457
Cash and cash equivalents at the beginning of the period	**39,381**	12,925	12,924
Cash and cash equivalents at the end of the period	**5,401**	2,871	39,381

The accompanying notes form an integral part of these Financial Statements.

Notes to the Financial Statements

For the year ended 1 January 2017

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: 28 Esplanade, St Helier, Jersey, JE2 3QA.

   The Company has one investment, Foresight Solar (UK Hold Co) Limited (“UK Hold Co”). Up to 31 March 2016, UK Hold Co invested in further holding companies (the“SPVs”) which then invested in the underlying investments. On 11 January 2016, UK Hold Co incorporated a subsidiary, FS Holdco Limited (“FS Holdco”). On 31 March 2016, UK Hold Co transferred all equity investments and related shareholder loans in the SPVs to FS Holdco in return for 16 ordinary shares issued by FS Holdco Limited and a loan receivable equal to the fair value of the investments transferred on 31 March 2016. FS Holdco 2 Limited (“FS Holdco 2”) was incorporated on 1 December 2016. FS Debtco Limited (“FS Debtco”) was incorporated on 2 December 2016. FS Holdco 2 is a subsidiary of UK Hold Co and FS Debtco is a subsidiary of FS Holdco 2. The principal activity of the Company, UK Hold Co, FS Holdco, FS Holdco 2 and FS Debtco (together“the Group”) is investing in operational UK ground based solar power plants.

2. Summary of significant accounting policies

   2.1 Basis of presentation

   The Unaudited Condensed Interim Financial Statements (the“Interim Financial Statements”) for the period 1 January 2017 to 30 June 2017 have been prepared in accordance with International Accounting Standard 34 ‘Interim Financial Reporting’ (“IAS 34”).

   The Interim Financial Statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements as at 31 December 2016.

   These are not statutory accounts in accordance with Article 105 of the Companies Law (Jersey) 1991, as amended and the financial information for the period ended 30 June 2017 and 30 June 2016 has been neither audited nor formally reviewed. Statutory accounts in respect of the period to 31 December 2016 have been audited and reported on by the Company’s auditors and delivered to the Registrar of Companies and included the report of the auditors which was unqualified and did not contain a statement under Article 113B (3) or 113B (6) of the Companies Law (Jersey) 1991. No statutory accounts in respect of any period after 31 December 2016 have been reported on by the Company’s auditors or delivered to the Registrar of Companies.

   For the period ended 30 June 2016 the Company consolidated its holding in the UK Hold Co (including UK Hold Co’s investments in the SPVs). Further amendments to IFRS 10 effective 1 January 2016 were subsequently implemented and have resulted in an accounting policy change in relation to consolidation of subsidiaries. These changes are explained in note 2.3 Changes in Accounting Policy and note 2.4 Consolidation.

   2.2 Going concern

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

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

   2.3 Changes in accounting policies and disclosures

   Changes in accounting policy

   Amendments to IFRS 10, ‘Consolidated Financial Statements’ and IAS 28, ‘Investments in Associates’, or ‘Investment entities’ became effective for accounting periods commencing on or after 1 January 2016 was applied for the first time in the annual accounts for the year ended 31 December 2016.

   The amendments to IFRS 10 confirm that an investment entity should consolidate a subsidiary which is not an investment entity and whose main purpose and activity is to provide services in support of the investment entity’s investment activities. However, the amendments clarify that if the subsidiary is itself an investment entity, the investment entity parent should measure its investment in the subsidiary at fair value through profit or loss. This approach is required regardless of whether the subsidiary provides investment-related services to the parent or to third parties. This means that the Company has to value its holding in UK Hold Co at fair value through profit or loss rather than consolidating its holding in UK Hold Co.

In the 31 December 2016 Financial Statements the Company restated its comparative figures for the year ended 31 December 2015 to no longer consolidate its holding in UK Hold Co, but rather value its holding at fair value through profit or loss. This accounting policy change was not applied in the 30 June 2016 Interim Report and therefore the 30 June 2016 comparatives have been restated to implemented this change retrospectively.

These changes have affected the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, Statement of Cash Flows and the accompanying notes.

New standards, interpretations and amendments adopted by the Company
The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2016. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New and revised IFRSs in issue but not yet effective
At the date of authorisation of these Financial Statements, the following standards and interpretations, which have not been applied in these Financial Statements and which are applicable to the Company, were in issue but not yet effective:

- IFRS 15, 'Revenue from Contracts with Customers'. Effective for accounting periods commencing on or after 1 January 2018.

- IFRS 9, 'Financial Instruments – Classification and Measurement'. Effective for accounting periods commencing on or after 1 January 2018.

- IFRS 16, 'Leases'. Effective for accounting periods commencing on or after 1 January 2019 (Endorsed by the EU).

These standards and interpretations will be adopted when they become effective. The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements in future periods, except that IFRS 9 may impact both the measurement and disclosures of financial instruments and IFRS 15 may have an impact on revenue recognition and related disclosures. Beyond the information above, it is not practicable to provide a reasonable estimate of the effects of IFRS 9 and IFRS 15 until a detailed review has been completed.

2.4 Consolidation
Subsidiaries
All subsidiaries are entities over which the Company has control. The Company controls an entity when the Company 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.

Under IFRS 10 "Consolidated Financial Statements", qualifying entities that meet the definition of an investment entity are not required to produce a consolidated set of Financial Statements and instead account for subsidiaries at fair value through profit or loss. The directors deem that the Company is an investment entity and therefore the Company does not consolidate any of its subsidiaries but carries them at fair value through profit or loss.

The defined criteria of an 'investment entity' are as follows:

- It holds more than one investment;

- It has more than one investor;

- It has investors that are not related parties to the entity; and

- It has ownership interests in the form of equity or similar interests.

However, the absence of one or more of these characteristics does not prevent the entity from qualifying as an ‘investment entity’, provided all other characteristics are met and the entity otherwise meets the definition of an ‘investment entity’:

• It obtains funds from one or more investors for the purpose of providing those investor(s) with professional investment management services;

• It commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and

• It measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Company does not meet all the defined criteria of an ‘investment entity’ as the Company only has one investment. However, the Directors deem that the Company is nevertheless an ‘investment entity’ as the remaining requirements has been met and, through UK Hold Co, FS Holdco and FS Holdco 2, there is a diverse investment portfolio which will fill the criteria of having more than one investment. The Company consolidated its holding in UK Hold Co for the year ended 31 December 2015 as UK Hold Co provides investment related services to the Company and was viewed as being simply an extension of the investment entity’s investing activities. However as a result of the amendments to IFRS 10 effective 1 January 2016, intermediate investment entities are not permitted to be consolidated and must be held at fair value through profit or loss. The Company therefore restated its comparative figures for the period ended 30 June 2016 and 31 December 2015 to no longer consolidate its holding in the UK Hold Co, but rather value its holding at fair value through profit or loss. These changes have affected the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, Statement of Cash Flows and its accompanying notes.

UK Hold Co does not meet all the defined criteria of an“investment entity” as it is 100% owned by the Company. However, the Directors deem that UK Hold Co is nevertheless an intermediate investment entity as through FS Holdco and FS Holdco 2, there is a diverse investment portfolio which will fill the criteria of having more than one investment and, the Company that holds 100% of share capital has a number of investors.

FS Holdco and FS Holdco 2 do not meet all the defined criteria of an ‘investment entity’ as they are 100% owned by UK Hold Co. However, the Directors deem that the companies are nevertheless ‘investment entities’ as the remaining requirements have been met and the Company that holds 100% of the share capital of UK Hold Co has a number of investors.

Therefore, the Company meets the requirements of an ‘investment entity’. The Company accounts for its subsidiary at fair value through profit or loss in accordance with IAS 39“Financial Statements: Recognition and Measurement”. The financial asset at fair value through profit or loss carried in the Statement of Financial Position represents the Company’s investments in UK Hold Co. See note 14 and 16 for more detail on the investments held at fair value through profit or loss.

As the UK Hold Co is no longer consolidated, its investments (plus their underlying investments) are no longer separately presented at fair value through profit or loss in the Company’s accounts. However accounting standards require that if an investment entity is the parent of another investment entity, the parent shall also provide the additional disclosures required by IFRS 12 interest in other entities. These disclosures are set out in notes 15 and 16.

3. Critical accounting estimates and judgements

Disclosure is required of judgements and estimates made by management in applying the accounting policies that have a significant effect on the financial statements. The Company makes estimates and judgements 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 judgements 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 underlying investments

The fair value of the underlying investments held by the Company's subsidiaries, which impact the value of the company's subsidiaries, are determined by using valuation techniques. 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 the International Private Equity and Venture Capital ("IPEVC") Valuation Guidelines, using unlevered Discounted Cash Flow principles (unless a more appropriate methodology is applied). As described more fully in note 16, valuations such as these entail assumptions about solar irradiance, power prices, technological performance, discount rate, operating costs and inflation over a 25 year period. It is in the opinion of the Investment Manager that the IPEVC valuation methodology used in deriving a fair value is in accordance with the fair value requirements of IAS 39.

The fair value of UK Hold Co is made up of the fair value of its net assets. In the Director's opinion, this value represents the fair value of the investments at the valuation date as all available information is used in the valuation process. UK Hold Co has two direct subsidiary FS Holdco and FS Holdco 2 and these investments are fair valued using the FS Holdco and FS Holdco 2's net asset value as reported at period end.

The fair value of the underlying investments held by FS Holdco and FS Holdco 2's subsidiaries are determined by using valuation techniques. The Directors base the fair value of the investments based on information received from the Investment Manager.

3.2 Determination of investment entities

The Directors of the Company have determined that it meets the definition of an Investment Entity as per IFRS 10. Details of this judgement is disclosed in note 2.4 Consolidation.

4. Interest income

	30 June 2017 £'000	30 June 2016 (Restated) £'000	31 December 2016 £'000
Bank interest income	**19**	10	13
Loan interest income	**17,347**	14,243	29,449
	17,366	14,253	29,462

Loan interest comprises interest on loan notes and interest on shareholder loans.

Loan notes were issued by the company to UK Hold Co for the purchase of investments. Interest is payable at 9% per annum in arrears on each Interest Payment Date (28 / 29 February and 31 August each year). Where interest is not paid on payment date, it will compound and future interest shall accrue at 11% per annum from the due date up to the date of actual payment compounding on each Interest Payment Date. Total interest of £15,549,068 was accrued during the period (1 January 2016 to 30 June 2016: £10,196,236, 1 January 2016 to 31 December 2016: £27,314,252), £42,863,304 was receivable at period end (1 January 2016 to 30 June 2016: £13,791,052, 1 January 2016 to 31 December 2016: £27,314,252). The loan notes balance at period end on which interest is charged is £250,000,000 (1 January 2016 to 30 June 2016: £250,000,000, 1 January 2016 to 31 December 2016: £250,000,000). These loans form part of the fair value of the investments as per note 14.

A Shareholder loan is created when the total amount paid by the Company on behalf of UK Hold Co for the cost of investments is more than the total loan notes issued by the Company to UK Hold Co. Interest was receivable at 9% per annum (reduced to 2% from 1 April 2017) and is repayable in full on demand. Total interest of £1,797,936 was accrued during the period (1 January 2016 to 30 June 2016: £4,046,291, 1 January 2016 to 31 December 2016: £2,135,009). £7,527,776 was receivable at period end (1 January 2016 to 30 June 2016: £5,097,230, 1 January 2016 to 31 December 2016: £5,730,000). The shareholder loan balance at period end is £126,609,725 (1 January 2016 to 30 June 2016: £13,229,995, 1 January 2016 to 31 December 2016: £23,910,000). These loans form part of the fair value of the investments as per note 14.

5. Management fees

The Investment Manager of the Company, Foresight Group CI Limited, receives an annual fee of 1% of the Net Asset Value ("NAV") of the Company. This is payable quarterly in arrears and is calculated based on the published quarterly NAV. For the period ended 30 June 2017, the Investment Manager was entitled to a management fee of £1,306,418 (1 January 2016 to 30 June 2016: £1,395,586, 1 January 2016 to 31 December 2016: £3,053,551) of which £498,574 was outstanding as at 30 June 2017 (1 January 2016 to 30 June 2016: £699,064, 1 January 2016 to 31 December 2016: £17,066).

6. Administration and Accountancy fees

Under an Administration Agreement, the Administrator of the Company, JTC (Jersey) Limited, is entitled to receive minimum annual administration and accountancy fees of £156,000 (2016: £100,000) payable quarterly in arrears. For the period ended 30 June 2017, total administration and accountancy fees were £133,534 (1 January 2016 to 30 June 2016: £74,985, 1 January 2016 to 31 December 2016: £227,452) of which £39,000 was outstanding as at 30 June 2017 (1 January 2016 to 30 June 2016: £58,985, 1 January 2016 to 31 December 2016: £50,002).

7. Directors' fees

Remuneration of the Directors of the Company is currently paid at a total rate of £73,000 (1 January 2016 to 30 June 2016: £76,000, 1 January 2016 to 31 December 2016: £140,000). All of the Directors are Non-Executive Directors. Remuneration paid for the period ended 30 June 2017 is detailed below:

	30 June 2017 £'000	30 June 2016 (Restated) £'000	31 December 2016 £'000
Peter Dicks	**18**	19	35
Alexander Ohlsson	**31**	32	60
Christopher Ambler	**24**	25	45
	73	76	140

8. Other Expenses

	30 June 2017 £'000	30 June 2016 (Restated) £'000	31 December 2016 £'000
Annual fees	**17**	17	32
Audit fees	**6**	18	17
Legal and professional fees	**139**	126	27
	162	161	76

9. 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 £11,469,047 (1 January 2016 to 30 June 2016: £9,291,019, 1 January 2016 to 31 December 2016: £30,738,374) and on 377,780,949 (1 January 2016 to 30 June 2016: 281,803,232, 1 January 2016 to 31 December 2016: 296,123,500) Ordinary Shares, being the weighted average number of shares in issue during the period.

10. Interest receivable

	30 June 2017 £'000	30 June 2016 (Restated) £'000	31 December 2016 £'000
Interest receivable on loan notes	**42,863**	13,791	27,314
Interest receivable on shareholder loan	**7,528**	5,097	5,730
	50,391	18,888	33,044

11. Trade and other receivables

	30 June 2017 £'000	30 June 2016 (Restated) £'000	31 December 2016 £'000
Prepaid expenses	**14**	34	-
Amounts due from subsidiaries	**4,694**	4,094	4,694
Other receivables	**805**	-	153
	5,513	4,128	4,847

12. Cash and cash equivalents

Cash at bank	**5,401**	2,871	39,381
	5,401	2,871	39,381

13. Trade and other payables

Accrued expenses	**598**	1,046	116
	598	1,046	116

14. Investments at fair value through profit or loss

The following table presents the Company's investments at fair value through profit or loss:

		30 June 2017 £'000	30 June 2016 (Restated) £'000	31 December 2016 £'000
Investment in UK Hold Co	Equity	**-**	-	-
	Loans	**372,092**	254,905	273,614
		372,092	254,905	273,614
Book cost as at 1 January		**273,909**	254,730	254,730
Opening investment holding (losses)/gains		**(295)**	(5,070)	(5,070)
Valuation as at 1 January		**273,614**	249,660	249,660
Movements during the period				
Purchase at cost		**102,700**	34,000	34,000
Disposal proceeds		**-**	(25,501)	(14,821)
Investment holding (losses)/gains		**(4,222)**	(3,254)	4,775
Valuation as at 30 June/ 31 December		**372,092**	254,905	273,614
Book cost as at 30 June/ 31 December		**376,609**	263,229	273,909
Closing investment holding (losses)/gains		**(4,517)**	(8,234)	(295)
		372,092	254,905	273,614

The Company has one investment in Foresight Solar (UK Hold Co) Limited ("UK Hold Co"). This investment consists of both debt and equity and is not quoted in an active market. Accordingly, the investment in UK Hold Co has been valued using its net assets.

In turn, UK Hold Co has two investments in FS Holdco Limited ("FS Holdco") and FS Holdco 2 Limited ("FS Holdco 2"). These investments also consists of both debt and equity and are not quoted in an active market. Accordingly, the investments in FS Holdco and FS Holdco 2 have been valued using their net assets.

In turn, FS Holdco and FS Holdco 2's investment portfolio consists of unquoted investments in solar projects, the valuations of which are based on a discounted cash flow methodology (as set out in note 16).

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 investments 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; and

(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.

As UK Hold Co's net asset value is not considered observable market data the investment in UK Hold Co has been classified as level 3. There were no movements between levels during the year.

As at 30 June 2017:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Unquoted investment	-	-	372,092	372,092
	-	-	372,092	372,092

As at 30 June 2016 (Restated):

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Unquoted investment	-	-	254,905	254,905
	-	-	254,905	254,905

As at 31 December 2016:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Unquoted investment	-	-	273,614	273,614
	-	-	273,614	273,614

Sensitivity Analysis

Due to the nature of the Group structure and the underlying valuation basis of UK Hold Co, FS Holdco, FS Holdco 2 and the underlying solar project investments, the valuation of the Company's investment at fair value through profit or loss is directly linked to the valuation of the underlying solar investments. Therefore, the unobservable inputs driving the valuation of the Company's investments in UK Hold Co are directly attributable to the valuation of the unquoted investments in FS Holdco and FS Holdco 2 which is discussed further in note 16.

15. Related undertakings

Details of the undertakings which the unconsolidated subsidiaries held as at 30 June 2017 are listed below:

Name	Direct or indirect holding	Country of incorporation	Principal activity	Proportion of shares and voting rights held
Foresight Solar (UK Hold Co) Limited (“UK Hold Co”)	Direct	UK	Holding Company	100%
FS Holdco Limited (“FS Holdco”)	Indirect	UK	Subsidiary	100%
FS Holdco 2 Limited (“FS Holdco 2”)	Indirect	UK	Subsidiary	100%
FS Debtco Limited (“FS Debtco”)	Indirect	UK	Subsidiary	100%
FS Wymeswold Limited	Indirect	UK	SPV	100%
FS Castle Eaton Limited	Indirect	UK	SPV	100%
FS Pitworthy Limited	Indirect	UK	SPV	100%
FS Highfields Limited	Indirect	UK	SPV	100%
FS High Penn Limited	Indirect	UK	SPV	100%
FS Hunter’s Race Limited	Indirect	UK	SPV	100%
FS Spriggs Limited	Indirect	UK	SPV	100%
FS Bournemouth Limited	Indirect	UK	SPV	100%
FS Landmead Limited	Indirect	UK	SPV	100%
FS Kencot Limited	Indirect	UK	SPV	100%
FS Copley Limited	Indirect	UK	SPV	100%
FS Port Farms Solar Limited	Indirect	UK	SPV	100%
FS Membury Limited	Indirect	UK	SPV	100%
FS Southam Solar Limited	Indirect	UK	SPV	100%
FS Atherstone Solar Limited	Indirect	UK	SPV	100%
FS Paddock Wood Solar Farm Limited	Indirect	UK	SPV	100%
Atherstone Hold Co Limited	Indirect	UK	SPV	100%
Southam Hold Co Limited	Indirect	UK	SPV	100%
Paddock Wood Hold Co Limited	Indirect	UK	SPV	100%
Acquisition Co 1	Indirect	UK	SPV	100%
Acquisition Co 2	Indirect	UK	SPV	100%
Wymeswold Solar Farm Limited (“Wymeswold”)	Indirect	UK	Investment	100%
Castle Eaton Solar Farm Limited (“Castle Eaton”)	Indirect	UK	Investment	100%
Pitworthy Solar Farm Limited (“Pitworthy“)	Indirect	UK	Investment	100%
Highfields Solar Farm Limited (“Highfields”)	Indirect	UK	Investment	100%
High Penn Solar Farm Limited (“High Penn“)	Indirect	UK	Investment	100%
Hunter’s Race Solar Farm Limited (“Hunter’s Race”)	Indirect	UK	Investment	100%
Spriggs Solar Farm Limited (“Spriggs“)	Indirect	UK	Investment	100%
Bournemouth Solar Farm Limited (“Bournemouth”)	Indirect	UK	Investment	100%
Landmead Solar Farm Limited (“Landmead”)	Indirect	UK	Investment	100%
Kencot Hill Solar Farm Limited (“Kencot”)	Indirect	UK	Investment	100%
Copley Solar Limited (“Copley”)	Indirect	UK	Investment	100%
Port Farms Solar Limited (Port Farm”)	Indirect	UK	Investment	100%
Membury Solar Limited (“Membury”)	Indirect	UK	Investment	100%
Atherstone Solar Farm Ltd (“Atherstone”)	Indirect	UK	Investment	100%
Southam Solar Farm Ltd (“Southam”)	Indirect	UK	Investment	100%
Paddock Wood Solar Farm Ltd (“Paddock Wood”)	Indirect	UK	Investment	100%
Shotwick Solar Limited	Indirect	UK	Investment	100%
Sandridge Solar Power Limited	Indirect	UK	Investment	100%

Period ended 30 June 2017

The following table represents the fair values of the investments held by FS Holdco Limited as required by IFRS12.

	Cost at 1 January 2017 £'000	Additions/ (Disposals) £'000	Cost as at 30 June 2017 £'000	Unrealised gain/(loss) as at 1 January 2017 £'000	Movement on unrealised gain/(loss) £'000	Unrealised gain/(loss) as at 30 June 2017 £'000	Fair value as at 30 June 2017 £'000
Wymeswold	48,590	-	48,590	1,510	(100)	1,410	50,000
Castle Eaton	21,630	-	21,630	270	(600)	(330)	21,300
Pitworthy	18,210	-	18,210	90	(500)	(410)	17,800
Highfields	14,300	-	14,300	700	(400)	300	14,600
High Penn	11,310	-	11,310	690	(300)	390	11,700
Hunter's Race	13,160	-	13,160	340	(100)	240	13,400
Spriggs	14,580	-	14,580	220	(200)	20	14,600
Bournemouth	50,060	-	50,060	1,240	(1,200)	40	50,100
Landmead	51,580	-	51,580	2,520	(1,500)	1,020	52,600
Kencot	47,210	-	47,210	1,790	(600)	1,190	48,400
Copley	35,670	-	35,670	2,330	(500)	1,830	37,500
Paddock Wood	10,621	-	10,621	879	(100)	779	11,400
Atherstone	16,004	-	16,004	596	(300)	296	16,300
Southam	11,145	-	11,145	655	(100)	555	11,700
Port Farms	44,215	-	44,215	1,785	(1,200)	585	44,800
Membury	21,160	-	21,160	740	(300)	440	21,600
	429,445	-	429,445	16,355	(8,000)	8,355	437,800

Period ended 30 June 2017

The following table represents the fair values of the investments held by FS Holdco 2 Limited as required by IFRS12.

	Cost at acquisition £'000	Additions/ (Disposals) £'000	Cost as at 30 June 2017 £'000	Unrealised gain/(loss) as at acquisition £'000	Movement on unrealised gain/(loss) £'000	Unrealised gain/(loss) as at 30 June 2017 £'000	Fair value as at 30 June 2017 £'000
Shotwick Solar	75,517	-	75,517	-	11,083	11,083	86,600
Sandridge Solar Power	57,748	-	57,748	-	552	552	58,300
	133,265	-	133,265	-	11,635	11,635	144,900

FS Holdco 2 commenced trading during the period and therefore no comparatives are shown.

Year ended 30 June 2016 (Restated)
The following table represents the fair values of the investments held by FS Holdco Limited as required by IFRS12.

	Cost at 1 January 2016 £'000	Additions/ (Disposals) £'000	Cost as at 30 June 2016 £'000	Unrealised gain/(loss) as at 1 January 2016 £'000	Movement on unrealised gain/(loss) £'000	Unrealised gain/(loss) as at 30 June 2016 £'000	Fair value as at 30 June 2016 £'000
Wymeswold	49,090	(500)	48,590	-	440	440	49,030
Castle Eaton	21,630	-	21,630	-	58	58	21,688
Pitworthy	18,210	-	18,210	-	(432)	(432)	17,778
Highfields	14,300	-	14,300	-	292	292	14,592
High Penn	11,310	-	11,310	-	149	149	11,459
Hunter's Race	13,160	-	13,160	-	6	6	13,166
Spriggs	14,580	-	14,580	-	(88)	(88)	14,492
Bournemouth	50,060	-	50,060	-	68	68	50,128
Landmead	51,580	-	51,580	-	1,292	1,292	52,872
Kencot	47,210	-	47,210	-	413	413	47,623
Copley	35,670	-	35,670	-	95	95	35,765
Paddock Wood	6,190	-	6,190	-	336	336	6,526
Atherstone	12,520	-	12,520	-	276	276	12,796
Southam	7,780	-	7,780	-	209	209	7,989
Port Farms	44,720	(505)	44,215	-	872	872	45,087
Membury	21,160	-	21,160	-	(86)	(86)	21,074
	419,170	(10,005)	418,165	-	3,900	3,900	422,065

Year ended 31 December 2016
The following table represents the fair values of the investments held by FS Holdco Limited as required by IFRS12.

	Cost at 1 January 2016 £'000	Additions/ (Disposals) £'000	Cost as at 31 December 2016 £'000	Unrealised gain/(loss) as at 1 January 2016 £'000	Movement on unrealised gain/(loss) £'000	Unrealised gain/(loss) as at 31 December 2016 £'000	Fair value as at 31 December 2016 £'000
Wymeswold	49,090	(500)	48,590	-	1,510	1,510	50,100
Castle Eaton	21,630	-	21,630	-	270	270	21,900
Pitworthy	18,210	-	18,210	-	90	90	18,300
Highfields	14,300	-	14,300	-	700	700	15,000
High Penn	11,310	-	11,310	-	690	690	12,000
Hunter's Race	13,160	-	13,160	-	340	340	13,500
Spriggs	14,580	-	14,580	-	220	220	14,800
Bournemouth	50,060	-	50,060	-	1,240	1,240	51,300
Landmead	51,580	-	51,580	-	2,520	2,520	54,100
Kencot	47,210	-	47,210	-	1,790	1,790	49,000
Copley	35,670	-	35,670	-	2,330	2,330	38,000
Paddock Wood	6,190	4,431	10,621	-	879	879	11,500
Atherstone	12,520	3,484	16,004	-	596	596	16,600
Southam	7,780	3,365	11,145	-	655	655	11,800
Port Farms	44,720	(505)	44,215	-	1,785	1,785	46,000
Membury	21,160	-	21,160	-	740	740	21,900
	419,170	10,275	429,445	-	16,355	16,355	445,800

16. Fair value of the investments in unconsolidated entities

Valuation process

Valuations are the responsibility of the Board of Directors. The Investment Manager is responsible for submitting fair market valuations of Group 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 discounted cash flow methodology. The Investment manager's assessment of fair value of investments is determined in accordance with the International Private Equity and Venture Capital Valuation Guidelines ("IPEVCV"), using unlevered Discounted Cash Flow principles. It is in the opinion of the Investment Manager and Directors that the IPEVCV methodology used in deriving a fair value is in accordance with the fair value requirements of IFRS 13.

Sensitivity analysis of significant changes in unobservable inputs within Level hierarchy of underlying Investments

The Company's 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 appropriate. 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 Directors consider the following assumptions to be significant inputs to the DCF calculation.

Discount rate

The weighted average discount rate used is 7.25%. 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. The Directors review the discount rate on a regular basis to ensure it remains in line with any changes to the risk profile of the Company and any changes in the macro-economic environment.

	-0.50%	**-0.25%**	**Base**	**+0.25%**	**+0.50%**
Directors' valuation (£m)	607.5	594.9	**582.7**	**570.8**	**559.3**
NAV per share (pence)	**110.6**	**107.5**	**104.6**	**101.7**	**98.9**
Change vs Base Case (%)	4.25	2.09	**0.00**	**(2.05)**	**(4.02)**

Production

Base case production is a function of a number of separate assumptions including irradiation levels, availability of the sites and technical performance of the equipment. A sensitivity of +/- 10% is considered reasonable given stable levels of irradiation, contractual availability guarantees and understanding of future performance levels of the equipment.

	-10%	**Base**	**+10%**
Directors' valuation (£m)	517.7	**582.7**	**643.5**
NAV per share (pence)	**88.9**	**104.6**	**119.3**
Change vs Base Case (%)	(11.16)	**0.00**	**10.44**

Power Price

DCF models assume power prices that are consistent with the Power Purchase Agreements ("PPA") currently in place. At the PPA end date, the model reverts to the power price forecast.

The power price forecasts are updated quarterly and based on power price forecasts from leading independent sources. The Investment Manager adjusts where more conservative assumptions are considered appropriate and applies expected PPA sales discounts. The forecast assumes an average annual increase in power prices in real terms of approximately 1.7%.

	-20.0%	**-10.0%**	**Base**	**+10.0%**	**+20.0%**
Directors' valuation (£m)	520.3	552.2	**582.7**	612.3	641.6
NAV per share (pence)	**89.5**	**97.2**	**104.6**	**111.7**	**118.8**
Change vs Base Case (%)	(10.70)	(5.23)	**0.00**	5.07	10.11

Inflation

A variable of 1.5% is considered reasonable given historic fluctuations. A long term inflation rate of 2.75% has been used for 2017.

	-1.50%	-0.75%	Base	+0.75%	+1.50%
Directors' valuation (£m)	521.3	551.3	**582.7**	615.8	652.1
NAV per share (pence)	**89.8**	**97.0**	**104.6**	**112.6**	**121.4**
Change vs Base Case (%)	(10.53)	(5.38)	**0.00**	5.68	11.91

Operating costs (investment level)

Operating costs include operating and maintenance ("O&M"), insurance and lease costs. Other costs are fixed and are therefore not considered to be sensitive to changes in unobservable inputs. 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.

	-10.0%	-5.0%	Base	+5.0%	+10.0%
Directors' valuation (£m)	590.4	586.5	**582.7**	578.7	574.8
NAV per share (pence)	**106.4**	**105.5**	**104.6**	**103.6**	**102.7**
Change vs Base Case (%)	1.32	0.65	**0.00**	(0.68)	(1.35)

17. Stated Capital

The stated capital of the Company consists solely of Ordinary Shares of nil par value and therefore the value of the stated capital relates only to share premium. 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 net proceeds received from the issue of Ordinary Shares (net of issue costs capitalised).

Ordinary Shares

	30 June 2017 Shares	**30 June 2016 (Restated) Shares**	**31 December 2016 Shares**
Opening balance	**340,950,912**	281,803,232	281,803,232
Issued during the period	**72,850,624**	-	59,147,680
Repurchased and held in Treasury	**-**	-	-
Closing balance	**413,801,536**	281,803,232	340,950,912

	30 June 2017 £'000	**30 June 2016 (Restated) £'000**	**31 December 2016 £'000**
Opening balance	**339,003**	279,403	279,403
Proceeds from share issue	**78,497**	-	60,781
Less: issue costs	**(1,523)**	-	(1,181)
Closing balance	**415,977**	279,403	339,003

18. 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 £432,798,841 (1 January 2016 to 30 June 2016: £279,745,961, 1 January 2016 to 31 December 2016: £350,769,981) and on 413,801,536 (1 January 2016 to 30 June 2016: 281,803,232, 1 January 2016 to 31 December 2016: 340,950,912) redeemable Ordinary Shares, being the number of Ordinary Shares in issue at the end of the period.

19. Financial instruments and risk profile

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

19.1 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 Company to date operates only within the United Kingdom and Jersey, the Directors have concluded that the Company is not exposed to foreign exchange risk.

(b) Price risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of the instruments. The Company's Investment Manager provides the Company with investment recommendations. The Company's Investment Manager's recommendations are reviewed and approved by the Investment Manager before the investment decisions are implemented. To manage the market price risk, the Company's Investment Manager reviews the performance of the investments on a regular basis and is in regular contact with the management of the non current investments for business and operational matters.

Price risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. At 30 June 2017, the Company's only investment was valued at net assets excluding the outstanding loans issued by the Company. Were this value to increase by 10%, the increase in net assets attributable to shareholders for the period would have been £37,209,200 (1 January 2016 to 30 June 2016: £25,490,500, 1 January 2016 to 31 December 2016: £27,361,400). The impact of changes in unobservable inputs to the underlying investments is considered in note 16.

19.2 Liquidity risk

Liquidity risk is the risk that the Company 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 Company's liquidity requirements to ensure there is sufficient cash to meet the Company's operating needs.

30 June 2017

	Carrying amount £'000	Contractual Total £'000	Less than 6 months £'000	6 to 12 Months £'000	Greater than 12 months £'000
Financial Assets					
Investments	372,092	372,092	-	-	372,092
Trade and other Receivables	5,513	5,513	5,513	-	-
Interest receivable	50,391	50,391	50,391	-	-
Cash and cash equivalents	5,401	5,401	5,401	-	-
Total Financial assets	**433,397**	**433,397**	**61,305**	**-**	**372,092**
Trade and other payables	(598)	(598)	(598)	-	-
Total financial liabilities	**(598)**	**(598)**	**(598)**	**-**	**-**
Net position	**432,799**	**432,799**	**60,707**	**-**	**372,092**

30 June 2016 (Restated)

	Carrying amount £'000	Contractual Total £'000	Less than 6 months £'000	6 to 12 Months £'000	Greater than 12 months £'000
Financial Assets					
Investments	254,905	254,905	-	-	254,905
Trade and other Receivables	4,128	4,128	4,128	-	-
Interest receivable	18,888	18,888	18,888	-	-
Cash and cash equivalents	2,871	2,871	2,871	-	-
Total Financial assets	**280,792**	**280,792**	**25,887**	**-**	**254,905**
Trade and other payables	(1,046)	(1,046)	(1,046)	-	-
Total financial liabilities	(1,046)	(1,046)	(1,046)	-	-
Net position	279,746	279,746	24,841	-	254,905

19.2 Liquidity risk (continued)

31 December 2016

	Carrying amount £'000	Contractual Total £'000	Less than 6 months £'000	6 to 12 Months £'000	Greater than 12 months £'000
Financial Assets					
Investments	273,614	273,614	-	-	273,614
Trade and other Receivables	4,847	4,847	4,847	-	-
Interest receivable	33,044	33,044	33,044	-	-
Cash and cash equivalents	39,381	39,381	39,381	-	-
Total Financial assets	**350,886**	**350,886**	**77,272**	**-**	**273,614**
Financial Liabilities					
Trade and other payables	(116)	(116)	(116)	-	-
Total financial liabilities	(116)	(116)	(116)	-	-
Net position	350,770	350,770	77,156	-	273,614

19.3 Credit risk

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

The Company 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 year and at the reporting date, the Company maintained relationships with the following financial institutions:

	Moody's Credit Rating	30 June 2017 £'000
Cash in hand:		
Royal Bank of Scotland International Limited	**P2**	**24**
Lloyds Bank International Limited	**P1**	**5,377**
Santander UK plc	**P1**	**-**
Total Company cash and cash equivalents and total cash in hand		**5,401**
Total Company cash balances held by banks		**5,401**

	Moody's Credit Rating	**30 June 2016 (Restated) £'000**
Cash in hand:		
Royal Bank of Scotland International Limited	P2	256
Lloyds Bank International Limited	P1	2,615
Total Company cash and cash equivalents and total cash in hand		2,871
Total Company cash balances held by banks		2,871

19.3 Credit risk (continued)

	Moody's Credit Rating	31 December 2016 £'000
Cash in hand:		
Royal Bank of Scotland International Limited	P2	327
Lloyds Bank International Limited	P1	18,684
Santander UK plc	P1	20,370
Total Company cash and cash equivalents and total cash in hand		39,381
Total Company cash balances held by banks		39,381

19.4 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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term lending to its subsidiary. At period end the Company had no long term borrowings with third parties (1 January 2016 to 30 June 2016: £Nil, 1 January 2016 to 31 December 2016: £Nil).

	Total portfolio 30 June 2017 £'000	Weighted average interest rate 30 June 2017 %	Weighted average time for which rate is fixed 30 June 2017 Days
Loan notes	**250,000**	**11.00%**	**961**
Shareholder loans	**126,610**	**5.50%**	**1,468**
Cash	**5,401**	**-**	**-**
	382,011		

	Total portfolio 30 June 2016 (Restated) £'000	**Weighted average interest rate 30 June 2016 (Restated) %**	**Weighted average time for which rate is fixed 30 June 2016 (Restated) Days**
Loan notes	250,000	10.93%	598
Shareholder loans	13,230	9.00%	1,105
Cash	2,871	-	-
	266,101		

19.4 Interest rate risk (continued)

	Total portfolio 31 December 2016 £'000	**Weighted average interest rate 31 December 2016 %**	**Weighted average time for which rate is fixed 31 December 2016 Days**
Loan notes	250,000	10.93%	780
Shareholder loans	23,910	9.00%	1,287
Cash	39,381	-	-
	313,291		

19.5 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 Company's assets.

20. Capital Management

The Company'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 Company 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.

21. Dividends

Dividends paid during the year comprise an interim dividend in respect of quarter 1 (1 January 2017 to 31 March 2017) and quarter 2 (1 April 2017 to 30 June 2017) of £6,413,924 (1.55 pence per Ordinary Share).

22. 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 Company's operations.

As noted in Note 2, the Company does not consolidate its subsidiary. However, the Company and its subsidiaries (direct and indirect) are a Group and therefore, are considered to be related parties.

During the period the Company issued no additional Loan Notes to UK Hold Co (1 January 2016 to 30 June 2016: £34,000,000, 1 January 2016 to 31 December 2016: £34,000,000), with the total issued to UK Hold Co remaining at £250,000,000 (1 January 2016 to 30 June 2016: £250,000,000, 1 January 2016 to 31 December 2016: £250,000,000), on which interest of £15,549,068 was receivable for the period (1 January 2016 to 30 June 2016: £10,196,236, 1 January 2016 to 31 December 2016: £27,314,252). As at the reporting date interest of £42,863,304 was receivable (1 January 2016 to 30 June 2016: £13,791,052, 1 January 2016 to 31 December 2016: £27,314,940).

As at the reporting date, the Company has a Shareholders loan receivable from UK Hold Co totalling £126,609,725 (1 January 2016 to 30 June 2016: £13,229,995, 1 January 2016 to 31 December 2016: £23,910,000). Total interest of £1,797,936 was receivable for the period (1 January 2016 to 30 June 2016: £4,046,291, 1 January 2016 to 31 December 2016: £2,135,009). As at the reporting date interest of £7,527,776 was receivable (1 January 2016 to 30 June 2016: £5,097,230, 1 January 2016 to 31 December 2016: £2,135,009).

On 18 January 2017 the Company issued an additional £35,200,000 shareholders loans, funded using equity proceeds raised during the prior year, to UK Hold Co. This £35,200,000 was utilised in the acquisition of Atem Solar Limited (Shotwick Solar) on 2 February 2017 by FS Holdco 2, a direct subsidiary of UK Hold Co.

The Company also issued an additional £67,500,000 to UK Hold Co on 7 April 2017, funded using equity proceeds raised in March 2017 . UK Hold Co transferred £12,500,000 of this amount to FS Holdco to repay a portion of its Short Term Revolving Facility with Abbey National Treasury Services ("Santander"). The remaining £55,000,000 was paid to FS Debtco, a direct subsidiary of FS Holdco 2, to repay its £55,000,000 loan to Santander that was utilised in the acquisition of Sandridge Solar Power Limited. As a result, FS Debtco has a loan payable to UK Hold Co of £55,000,000 on which interest of £632,876 was charged during the period and was still outstanding at reporting date.

On 31 March 2016, UK Hold Co transferred all shareholder loans which formed part of the investment in its subsidiaries, being £343,730,873, to FS Holdco in return for a loan payable by FS Holdco to UK Hold Co of £343,730,873, On 14 April 2016, UK Hold Co's outstanding loan balance with The Royal Bank of Scotland Plc (the"RBS") of £149,503,500 was paid by FS Holdco on behalf of UK Hold Co. On 23 December 2016, FS Holdco increased its loan to UK Hold Co by £34,000,000 and on 7 April UK Hold Co transferred £12,500,000 to FS Holdco. The total interest payable for the period was £13,560,860 (2016: £20,511,723).

FS Holdco was entitled to loan interest on the shareholder loans, from the SPVs, totalling £13,115,111, of which £28,834,192 was outstanding as at the reporting date. During the period, FS Holdco received repayments of shareholder loans from the SPVs totalling £Nil.

During the period UK Hold Co issued a shareholder loan of £79,379,733 to FS Holdco 2. Interest of £1,333,726 on this loan was charged during the period of which £1,333,726 was outstanding at period end. FS Holdco 2 used this loan to issue a loan of the exact amount to FS Debtco. Interest of £1,579,953 was charged during the period and was still outstanding at reporting date.

All of the SPVs are cash generating solar farms. On occasion revenues received and expenses are paid on their behalf by FS Holdco. All of these transactions are related parties. At year end, the following SPVs had amounts payable and receivable to FS Holdco:

	30 June 2017 £'000	30 June 2016 (Restated) £'000	31 December 2016 £'000
Receivable			
Bournemouth	**142**	-	-
Castle Eaton	**258**	-	-
Copley	**80**	116	116
High Penn	**123**	-	-
Highfields	**244**	-	-
Hunters Race	**229**	-	-
Landmead	**130**	-	-
Pitworthy	**202**	-	-
	1,408	116	116
Payable			
Kencot	**-**	(293)	(293)
Membury	**-**	(758)	(758)
Funds held on behalf of Projects	**(6,928)**	-	-
	(6,928)	(1,051)	(1,051)
Total payable to SPVs	**(5,520)**	(935)	(935)

During the prior year, UK Hold Co made use of a tax credit of £1,003,322 availed by its subsidiary, FS Holdco, to reduce the tax liability of the Group at the reporting date.

The manager is considered a related party as it provides key management services to the Group. Refer to note 23 for transactions with the manager.

23. Transactions with the manager

Foresight Group CI Limited, acting as investment manager to the Group in respect of its investments, earned fees of £1,306,418 during the period (1 January 2016 to 30 June 2016: £1,395,586, 1 January 2016 to 31 December 2016: £3,053,551), of which £498,574 was outstanding as at 30 June 2017 (1 January 2016 to 30 June 2016: £699,064, 1 January 2016 to 31 December 2016: £17,066).

Foresight Group CI Limited charged fees to FS Holdco of £Nil (1 January 2016 to 30 June 2016: £680,000, 1 January 2016 to 31 December 2016: £680,000) during the period in relation to the arrangement and transaction advice of the long term refinancing of the Group, of which £Nil (1 January 2016 to 30 June 2016: £Nil, 1 January 2016 to 31 December 2016: £Nil) was outstanding as at period end.

Foresight Group LLP, a related party of Foresight Group CI, charged asset management fees to the underlying projects of £280,000 during the period (1 January 2016 to 30 June 2016: £256,000, 1 January 2016 to 31 December 2016: £512,000).

Brighter Green Engineering, a related party of Foresight Group LLP, charged fees to the underlying projects under both the O&M contracts and EPC defect remedial work of £1,260,543 during the period (1 January 2016 to 30 June 2016: £20,286, 1 January 2016 to 31 December 2016: £853,203)

Pursuant to the terms of the Prospectus, the total launch costs to be borne by the Shareholders of the Company were 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 CI Limited. Launch costs for the period to be reimbursed from Foresight Group CI Limited amounted to £652,202 (1 January 2016 to 30 June 2016: £213,644, 1 January 2016 to 31 December 2016: £213,644).

24. Commitments and contingent liabilities

There are no commitments nor contingent liabilities.

25. 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 Company with a view to gaining economic benefits from its direction.

26. Post balance sheet events

On 21 July 2017, the Company acquired a 5MW operational project known as Wally Corner in Berinsfield, South Oxfordshire, for £5,637,631. The asset was acquired from Ethical Power, a contractor the Company has worked with in the past. This acquisition was funded using equity proceeds from the Company's March Share Placing.

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Glossary of Terms

AIC	The Association of Investment Companies
AIC Code	The Association of Investment Companies Code of Corporate Governance
AIC Guide	The Association of Investment Companies Corporate Governance Guide for Investment Companies
AIFMD	The Alternative Investment Fund Management Directive
BEIS	The Department for Business, Energy & Industrial Strategy
BEPS	Base Erosion and Profit Shifting
Brexit	Departure of the UK from the EU
CfD	Contract for Difference
Company	Foresight Solar Fund Limited
DCF	Discounted Cash Flow
DECC	The Department of Energy and Climate Change
DNO	Distribution Network Operator
EPC	Engineering, Procurement & Construction
EU	The European Union
FAC	Final Acceptance Certificate
FiT	Feed-in Tariff
GAV	Gross Asset Value on Investment Basis including debt held at SPV level
GWh	Gigawatt hour
IAS	International Accounting Standard
IFRS	International Financial Reporting Standards as adopted by the EU
Investment Manager	Foresight Group CI Limited
IPEV	International Private Equity and Venture Capital
IPO	Initial Public Offering
KPMG LLP	KPMG is the Company's Auditor
LCF	Levy Control Framework
LD	Liquidated damages awarded to renewable energy projects in relation to their clean energy production which were typically monetised under PPA contracts to offset levies due under the Climate Change Levy to energy suppliers.
LIBOR	London Interbank Offered Rate
Listing Rules	The set of FCA rules which must be followed by all companies listed in the UK

Main Market	The main securities market of the London Stock Exchange
MIDIS	Macquarie Infrastructure Debt Investment Solutions
MWh	Megawatt hour
MWp	Megawatt peak
NAV	Net Asset Value
Official List	The Premium Segment of the UK Listing Authority's Official List
O&M	Operation and Maintenance contractors
PID	Potential Induced Degradation
PPA	Power Purchase Agreements
PR	Performance Ratio
PV	Photovoltaic
RO Scheme	Energy suppliers meet their obligations by presenting Renewable Obligation Certificates (ROCs) to Ofgem. Where suppliers do not have sufficient ROCs to cover their obligation, a payment is made into the buy-out fund.
ROC	Renewable Obligation Certificates
RPI	The Retail Price Index
SPV	The Special Purpose Vehicles which hold the Company's investment portfolio of underlying operating assets
UK	The United Kingdom of Great Britain and Northern Ireland