Foresight Solar Fund Limited: Interim Accounts & Dividend Announcement

Highlights

- Foresight Solar Fund Limited ("FSFL" or "the Company") raised proceeds of £150m through an initial public offering ("IPO") of shares on the main market of the London Stock Exchange in October 2013. In September 2014, the Company announced a Placing Programme of up to 200 million Shares, open until September 2015, under which £134.9 million has been raised to date.

- Net Asset Value ("NAV") increased from £209.8 million as at 31 December 2014 to £277.9 million as at 30 June 2015, taking the NAV per Ordinary Share to 98.6 pence (31 December 2014: 100.9 pence).

- Reported profit for the period was £5.38 million and earnings per share of 2.32 pence.

- The first quarterly dividend of 1.52 pence in respect of the period from 1 January to 31 March was paid on 30 June 2015. The Directors are pleased to announce the second quarterly dividend of 1.52 pence was approved on 4 August 2015 and will be paid on 30 September 2015.

- The Company is on target to deliver a 6.10 pence dividend for the financial year ending 31 December 2015 (6.00 pence inflated by RPI for 2014).

- The acquisition of the 37MW Kencot asset reached financial completion during the period and the Company finalised the connection of the 2.3MW extension at its Wymeswold plant, increasing capacity by 7% to 34.4MW.

- On 25 June 2015, the Company agreed to fund construction of the 30MW Copley asset located in Nottinghamshire. The asset is expected to qualify for the 1.3 Renewable Obligation Certificate ("ROC") banding under the Renewable Obligation ("RO") 12 month grace period.

- Performance of the assets for the period was 7.4% ahead of the expectations of the Investment Manager. Energy generated from the portfolio amounted to 131GWh, resulting in revenue of £14.9m across the investments of the Company.

Following Period End

- The Company announced the acquisition of a majority interest in three 1.4 ROC assets forming a 34MW portfolio resulting in a net acquisition of 24 MW. These acquisitions bring the net operating portfolio to 287MW.

- The Company confirmed a further extension of its acquisition facility from £120 million to £150 million in order to take advantage of an attractive 300MW pipeline.

Dividend Timetable

	Date
Ex-dividend Date	17 September 2015
Record Date	18 September 2015
Payment Date	30 September 2015

Key Performance Metrics

As at 30 June 2015	
Share Price	104.25 pence
Number of Shares	281,803,232
Market Capitalisation	£293.8 million
Dividends for the Period per Share	3.04 pence
Net Asset Value	£277.9 million
Gross Asset Value	£373.3 million
NAV per Share	98.6 pence
Total NAV Return*	4.9%
Total Shareholder Return*	7.0%

** Annualised from IPO and calculated in line with AIC methodology*

For further information, please contact:

Foresight Group
Elena Palasmith epalasmith@foresightgroup.eu +44 (0)203 667 8100

Stifel +44 (0)20 7710 7600
Mark Bloomfield
Neil Winward
Tunga Chigovanyika

J.P. Morgan Cazenove +44 (0)20 7742 4000
William Simmonds

A copy of the accounts will be made available on the Funds website at http://www.foresightgroup.eu/fsfl-home

A conference call for analysts will be held at 9:00am today. A presentation will be provided separately.

To register for the call please contact Malcolm Robertson at Citigate Dewe Rogerson Malcolm.Robertson@citigatedr.co.uk or by phone: +44 (0)20 7282 2867.

Unaudited Consolidated Interim Report & Financial Statements

Corporate Summary
Foresight Solar Fund Limited 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 Company has a single class of 281,803,232 Ordinary Shares in issue of nil par value which are listed on the premium segment of the Official List and traded on the London Stock Exchange's Main Market.

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

Investment Objective
The Company seeks to provide investors with a sustainable and inflation linked dividend together with the potential for capital growth over the long-term by investing in a diversified portfolio of predominantly UK ground based solar assets.

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

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

Dividends
The Company continues to target a 6.0 pence annual dividend per Ordinary Share which is expected to increase in line with inflation, together with a target unlevered Internal Rate of Return ("IRR") of between 7-8%, net of all fees and expenses.

The Company is on target to deliver a 6.10 pence (6.00 pence inflated by RPI for 2014) dividend for the financial year ending 31 December 2015.

Chairman's Statement

"The Board and Foresight Group CI Limited, the Investment Manager, are pleased with the progress made by the Company during the period and in particular that the full £285 million of equity proceeds raised have now been invested. We believe the UK Solar market remains attractive, and have identified a pipeline of over 300MW of assets that will support the growth of the Company over the next six months. We are on track to deliver our first RPI-linked dividend of 6.10 pence for the year and are reviewing a number of long-term financing opportunities that, once implemented, will further enhance returns to investors." (Alexander Ohlsson, Chairman)

Results
I am pleased to be able to report continued progress in the formation of the Company's portfolio of solar investments, both before and following the period end, which is more fully described in the Investment Manager's Report.

The NAV per Ordinary Share decreased to 98.6 pence from 100.9 pence at 31 December 2014. The reduction of 2.3% during the period is more fully described in the Investment Manager's Report, but incorporates a 3.2% fall due to the removal of Levy Exemption Certificates ("LECs") from 1 August 2015.

The Profit for the period was £5.38 million resulting in Earnings per Share of 2.32 pence.

Dividend Policy
As noted in the Company's three Prospectuses published on 20 September 2013, 25 September 2014 and 12 March 2015, subject to market conditions, the Company's performance, financial position and financial outlook, it is the Directors' intention to pay a sustainable and inflation-linked level of dividend income to Shareholders. Whilst not forming part of its Investment Policy, the Company targeted and achieved the payment of an initial annual dividend of 6.0 pence per Ordinary Share for the year commencing 1 January 2014.

As previously announced, the Directors have increased the frequency of dividend payments from semi-annual to quarterly commencing with the quarterly dividend of 1.52 pence in respect of the period from 1 January to 31 March being paid on 30 June 2015. The Directors are pleased to announce the second quarterly dividend of 1.52 pence was approved on 4 August 2015 and will be paid on 30 September 2015. The two remaining interim dividends for the year to 31 December 2015 are targeted to increase to 1.53 pence per share.

The Company is on target to deliver a 6.10 pence (6.00 pence inflated by RPI for 2014) dividend for the financial year ending 31 December 2015. The target dividend should not be taken as an indication of the Company's expected future performance or results.

Share Issues
The Placing and Offer for Subscription pursuant to the Prospectus published by Foresight Solar Fund Limited on 20 September 2013 ("the Placing & Offer") proved attractive to investors with £150,000,000 raised at the time the Ordinary Shares listed on 29 October 2013. A further Placing and Offer for Subscription pursuant to the Prospectus published by Foresight Solar Fund Limited on 25 September 2014 ("the Placing & Offer") raised a further £60.1 million in October 2014, £36.1m in March 2015 and £38.7m in June 2015.

During the period from 1 January 2015 to 30 June 2015, the Board allotted 36,132,418 Ordinary Shares of nil par value at 99.9 pence per share in March 2015 and 37,670,814 Ordinary Shares at a nil par value of 102.7 pence per share in June 2015.

The Company's Placing Programme of up to 200 million Shares is open until 24 September 2015, with 68.2 million shares available for allotment.

Valuation Policy
Investments held by the Company have been valued in accordance with IAS 39 and IFRS 13, using Discounted Cash Flow ("DCF") Principles. The portfolio valuations are prepared by Foresight Group, reviewed and approved by the Board quarterly and subject to audit as a minimum annually.

Outlook
The Board and Foresight Group are encouraged that all of the £285 million of equity raised to date as well as £90 million of the £150 million acquisition facility has been invested at the time of this report being published. The Company expects to repay the facility through refinancing with a long-term debt facility and/or further equity issuance under its placing programme. Given the current favourable market conditions, we are reviewing a number of long-term financing opportunities that, once implemented, will further enhance returns to investors.

On 8 July 2015, the Chancellor announced the UK Budget which included the removal of the climate change levy exemption for electricity from renewable sources from 1 August 2015, effectively accounting for a 3% fall in Net Asset Value and the entire fall of 2.3% for the period. Also, the Government is proposing to consult on further changes to the RO incentives. If confirmed we do not expect any changes to affect any of the existing operational assets or any of the announced projects under exclusivity. In relation to the immediate pipeline of assets, the projects identified have either been connected during the 1.4 ROC banding period or qualify for the grace period as defined in the recent consultation announcement for assets connected before March 2016.

Despite the changes the Board and Investment Manager believe that a combination of the investments made to date and the strong pipeline of potential opportunities currently being considered will continue to provide attractive returns together with the associated benefits of scale to shareholders over the longer term.

Alexander Ohlsson
Chairman

4 August 2015

Portfolio Investment Summary

Asset	Location	Status	ROCs	MWs	Acquisition Date	Ownership	Net MWs	Construction Counterparty
Wymeswold*	Leicestershire	Operational and accredited	2.0	32	Nov 2013	100%	32	Lark Energy
			1.4	2	Feburary 2015	100%	2	Lark Energy
Castle Eaton	Wiltshire	Operational and accredited	1.6	18	June 2014	100%	18	SunEdison
Highfields	Essex	Operational and accredited	1.6	12	June 2014	100%	12	SunEdison
High Penn	Wiltshire	Operational and accredited	1.6	10	June 2014	100%	10	SunEdison
Pitworthy	North Devon	Operational and accredited	1.4	16	June 2014	100%	16	SunEdison
Hunters Race	West Sussex	Operational and accredited	1.4	11	September 2014	100%	11	Hareon Solar
Spriggs Farm	Essex	Operational and accredited	1.6	12	November 2014	100%	12	Bester Generation
Bournemouth	Dorset	Operational and accredited	1.4	37	December 2014	100%	37	Goldbeck
Landmead	Oxfordshire	Operational and accredited	1.4	46	December 2014	100%	46	Belectric
Kencot	Oxfordshire	Operational and accredited	1.4	37	March 2015	100%	37	Conergy

Copley**	Nottinghamshire	In construction	1.3	30	June 2015	100%	30	GDF Suez
				263			**263**	
Assets acquired following period end								
Atherstone	Warwickshire	Operational and accredited	1.4	15	July 2015	78%	12	Belectric
Paddock Wood	Kent	Operational and accredited	1.4	9	July 2015	59%	5	Belectric
Southam	Warwickshire	Operational and accredited	1.4	10	July 2015	70%	7	Belectric
				297			**287**	

*The 1.4 ROC banding and March 2015 acquisition refer to the 2.3MW Wymeswold extension that was finalised in March
** Please note as this asset is still under construction these figures are estimates and may be subject to change

Investment Manager's Report

Foresight Group – The Investment Manager

Foresight Group is a privately owned infrastructure and private equity Investment Manager. Foresight Group manages nine separate dedicated Solar Funds valued at c. £1.0 billion totalling over 550MW of existing operational capacity globally. The Infrastructure team has been active since 2007 and consists of 30 investment professionals.

Foresight Group manages assets of over £1.5 billion, raised from pension funds and other institutional investors, UK and international private and high net-worth individuals and family offices.

Foresight's head office is located in The Shard, further offices in Guernsey, Nottingham, Rome and San Francisco.

The Company

The Company's IPO on 24 October 2013 raised £150 million, creating the largest dedicated solar investment company listed in the UK at the time. In September 2014, the Company announced a Placing Programme of up to 200 million New Ordinary Shares, open until 24 September 2015, under which £134.9m has been raised to date.

On 16 April 2015, the Company confirmed the refinancing of its acquisition facility and its extension to £120 million. The facility was provided equally through RBS and Santander on preferential terms compared to the original facility.

As at 30 June 2015, the facility had been partially drawn (£90 million) in order to fund the acquisition of the Bournemouth and Landmead assets. Following the period end, the Company confirmed a further extension of the facility to £150 million. The Company expects to repay the facility through refinancing with a long-term debt facility expected to be implemented in Q4 of this year.

Investment Portfolio

The Investment Manager believes the portfolio of assets has been acquired at attractive pricing and offers manufacturer and geographical diversification across the UK for the portfolio.

In keeping with the Company's low risk strategy, as at 30 June 2015 ten of the eleven assets within the portfolio were operational when acquired and subject to certain conditions having been achieved by the developer of the plant, including the assets being built to specified performance standards and their successful connection to the Grid. Although construction risk can be managed depending on the balance sheet strength of the construction contractor, more difficult to manage is the risk of failing to meet subsidy deadlines. The Company saw this as a particular risk ahead of the 31 March 2015 ROC deadline, which was a cliff-edge deadline given the acceleration of the Contracts for Difference ("CfD") mechanism for projects greater than 5MW after this date.

Ahead of this deadline, Foresight Group deliberately set out to execute a low risk strategy of avoiding construction and subsidy risk and negotiated terms accordingly with large and experienced contractors. This avoided unnecessary risk exposure for shareholders.

In keeping with the Funds investment policy limit of 25% of Gross Asset Value in construction assets, on 25 June 2015 the Company announced it had signed a binding contract to fund its first construction asset, the 30MW Copley asset in Nottinghamshire. The asset is expected to become operational in Q4 2015 and to qualify for the 1.3 ROC banding under the Renewable Obligation ("RO") 12 month grace period for projects greater than 5MW. The Company believes that the enhanced returns from providing construction funding for the Copley asset is justified given that the construction and connection timetable is significantly shorter than the grace period deadline of 31 March 2016. The investment in Copley will represent c. 10% of the total portfolio size in terms of installed capacity.

Subsidy and Revenue Breakdown

The operational assets within the portfolio benefit from a combination of 2.0, 1.6 and 1.4 ROC subsidy Accreditation. The Company's revenue is derived from a mix of regulated revenues and those derived from the sale of electricity via Power Purchase Agreements ("PPAs") as shown below.

Operational Portfolio RO Accreditation Split	
2.0 ROC	14%
1.6 ROC	22%
1.4 ROC	64%

Operational Portfolio Revenue Split	
Green Benefits	59%
Other Income	41%

During the period, 59% 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 the Retail Price Index ("RPI") for 20 years from the accreditation date under the ROC regime and subject to RPI inflationary increases applied by Ofgem in April of each year. The majority of the remaining revenues derive from electricity sales subject to wholesale electricity price inflation that is correlated with RPI in the long-term as a component of the RPI index basket of goods and services. This implicit indexation of revenues derived from ROC benefits and the degree of inflation linkage of the wholesale electricity price provide cashflows that are highly correlated with long-term inflation.

PPAs are entered into between each individual solar power asset in the portfolio and creditworthy off-takers in the UK. Under the PPAs, each asset will sell electricity generated and ROCs to the designated off-taker.

The Company has a PPA strategy that seeks to optimise revenues from power generated, while keeping the flexibility to manage the portfolio appropriately. As of 30 June 2015, 40% of the portfolio has fixed price PPA arrangements in place.

Fundraising

During the period, the Company successfully raised an additional £74.8 million through the issuance of 73,803,232 New Ordinary Shares under its existing placing programme as shown below.

Date	Placing Price (pence)	Shares Issued (million)	Funds Raised (£ million)
Opening (cumulative)		208	210.1
17/03/2015	99.9	36.1	36.1
16/06/2015	102.7	37.7	38.7
Closing		**281.8**	**284.9**

The Company's Placing Programme of up to 200 million Shares is open until 24 September 2015, with 68.2 million shares remaining.

Dividends

At IPO the Company targeted a 6.0 pence annual dividend per Ordinary Share which is expected to increase in line with inflation, together with a target unlevered Internal Rate of Return ("IRR") of between 7-8%, net of all fees and expenses. As shown by the Dividend schedule below, the Company achieved this objective for its first full financial period.

For the period 13 August 2013 to 31 December 2014			
	Amount	**Status**	**Paid Date**
Interim Dividend 1	3.00 pence	Paid	30 September 2014

Interim Dividend 2	3.00 pence	Paid	27 March 2015
TOTAL	6.00 pence		

As noted in our Annual Accounts, the Directors approved an increase in the frequency of dividend payments from semi-annually to quarterly. These are expected to be paid in respect of the three month period to 31 March, 30 June, 30 September and 31 December. The payment of dividends will remain subject to market conditions and the Company's performance, financial position and financial outlook.

The first interim dividend of 1.52 pence in respect of the period from 1 January 2015 to 31 March 2015 was paid on 30 June 2015. The Directors are pleased to announce the second quarterly dividend of 1.52 pence was approved on 4 August 2015 and will be paid on 30 September 2015.

Dividend Timetable

Ex-dividend Date	17 September 2015
Record Date	18 September 2015
Payment Date	30 September 2015

The Company is on target to deliver a 6.10 pence (6.00 pence inflated by RPI for 2014) dividend for the financial year ending 31 December 2015 as shown below.

For the period 1 January 2015 to 31 Decemeber 2015			
	Amount	**Status**	**Paid Date**
Interim Dividend 1	1.52 pence	Paid	30 June 2015
Interim Dividend 2	1.52 pence	Approved	30 September 2015
Interim Dividend 3	1.53 pence	Target	To be announced
Interim Dividend 4	1.53 pence	Target	To be announced
TOTAL	**6.10 pence**		

Dividend Cover
Dividends paid (not including dividends paid to newly issued equity) and announced to date are covered 1.6 times by the operating profit (EBITDA) of the underlying investments. Where no adjustment is made, the dividend is covered 1.4 times. Since IPO, the dividend cover with reference to the EBITDA of the underlying investments is 1.0 due to the slower than anticipated completion of assets identified at IPO.

Notable Shareholders
The top six shareholders in the Company as at 30 June 2015 are as follows:

Investor	**% Shareholding in Fund**
Blackrock Investment Management Limited	11.24%
Newton Investment Management Limited	9.83%
Schroders Plc	7.43%

Standard Life Investments	5.46%
Baillie Gifford & Co Limited	5.40%
Rathbone Investment Management Limited	5.15%
TOTAL	**44.51%**

Portfolio Performance

Operational performance of the assets for the period was ahead of the expectations of the Investment Manager, with total portfolio electricity production of 130.6 Gigawatt Hours ("GWh") for the period. The expectations of the Investment Manager are based on those used at the time of acquisition, as shown in the table below

There were two material events affecting the portfolio during the period for which the operators are liable. Firstly, several inverter failures affected the performance of Pitworthy reducing the internal availability of the plant. Secondly, 23% of the Kencot transformer station total production capacity was not operational due to an over current for three days in June. This incident reduced the internal availability of the plant. Highfields experienced an external grid dis-connection during June, reducing external availability for a period of five days.

Additionally, as expected, the accreditation of Wymeswold is currently suspended due to the ongoing accreditation process required by the extension to the plant. The capacity extension at Wymeswold will not affect the eligibility of the initial 32MW installations for 2.0 ROC banding, with the plant continuing to generate electricity during the extension period and accrue ROC certificates.

For the Period Under Review

Asset	Actual Production (GWh)	Expected Production (GWh)	Production Variance
Bournemouth	22.8	21.4	6.5%
Castle Eaton	10.1	9.1	10.0%
High Penn	5.3	5.2	3.5%
Highfields	6.0	6.4	-7.0%
Hunters Race	6.1	5.8	5.7%
Kencot	20.7	19.3	7.4%
Landmead	25.7	23.2	10.8%
Pitworthy	8.3	8.6	-2.8%
Spriggs	6.9	6.4	8.3%
Wymeswold	18.6	16.1	11.0%
	130.6	**122.2**	**6.9%**

The irradiance variance for the period under review was 7.7% above forecast.

Foresight Group's dedicated in-house technical team of four, together with an outsourced technical services provider, continue to focus on increasing operational efficiencies across the portfolio. We do not expect any short-term fluctuations in power generation to affect the medium to long-term forecasts.

Health and Safety
There were no health and safety incidents reported during the period.

The Investment Manager has appointed a health and safety consultant to review all portfolio assets to ensure they not only meet, but exceed, industry and legal standards.

Investment Performance
The NAV at 31 December 2014 was 100.90 pence per share. The NAV per share as at 30 June 2015 fell to 98.6 pence after a payment dividends of 3.00 pence per share paid in March 2015 and 1.52 pence per share paid in June 2015.

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

NAV Value as at 31 December 2014	**209.83**
Equity raise	74.78
Share issue costs	- 1.56
Dividend paid	- 10.52
Interest earned	10.38
Management fee	- 1.16
Finance costs	- 1.65
Other costs	- 0.45
Corporation Tax	- 0.18
Wymeswold Extension	2.70
Power Prices	- 9.42
LECs	- 8.86
Corp Tax	0.34
Discount Rates	7.28
Other Movements (Includes operational efficiencies and unwinding of discounted cashflows)	6.40
NAV Value as at 30 June 2015	**277.91**

The changes in portfolio valuation have been mainly driven by the following factors:

Power Prices
Since IPO in October 2013, the Company has revised downwards its power curve six times by a cumulative amount of 20%. This has led to an absolute reduction in NAV, excluding all other factors. The Company uses a blended average of the most recent forward power curve forecasts from a number of providers in its NAV calculations and believes the recent falls have been appropriately reflected. Our

forecasts continue to assume an increase in power prices in real terms over the medium to long-term of 1.43%. The average power price achieved in the period was £44.80 per MWh.

Removal of Climate Change Levy Exemption

On 8 July 2015, the Chancellor announced the UK Budget which included the removal of the climate change levy exemption for electricity from renewable sources, meaning all renewable generators will stop receiving Levy Exemption Certificates ("LECs") from 1 August 2015. This has led to an absolute reduction of 3.2% in NAV, excluding all other factors.

Discount Rate

During the period, the Company reduced its weighted average discount rate applied to future cashflows by 0.3% to 7.5%, which has had a positive impact on NAV. We believe this reduction reflects the risk profile of the operational assets that have been acquired, the total installed capacity at portfolio level and asset diversification.

Other Movements

During the period, the Company saw a continued reduction in operational costs through the renewal and re-negotiation of long-term contractual arrangements. Updates to insurance premiums, PPA pass-through rates and Operation and Maintenance assumptions have all been driven by leveraging a growing portfolio to secure better value from suppliers and customers. This includes the unwinding of the discounted cashflows.

Valuation of the Portfolio

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

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

It is the policy of the Investment Manager to value with reference to DCF immediately following acquisition. This is partly due to the long periods between agreeing an acquisition price and financial completion of the acquisition. Quite often this delay incorporates construction as well as time spent applying for, and achieving, ROC accreditation 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 until financial completion has been achieved.

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

Valuation Sensitivities

Where possible, assumptions are based on observable market and technical data. In many cases, such as the forward power price, we make use of professional advisors to provide reliable and evidenced information while often applying a more prudent approach to that of than our information providers. We set out the inputs we have ascertained would have a material effect upon the NAV in note 17 of the financial statements. All sensitivities are calculated independently of each other.

Financial Results

As at 30 June 2015, the NAV of the Company was £277.9 million or 98.6 pence per Ordinary share issued. Profit before tax for the period was £5.56 million and earnings per share were 2.32 pence.

The Directors have satisfied themselves with the valuation methodology including the underlying assumptions used and have approved the portfolio valuation. Since inception, the Company has confirmed its intent to deliver its initial target dividend of 6.0 pence per Ordinary Share, linked to the Retail Price Index. Strong underlying asset performance and attractive pricing give the Directors comfort that target distribution levels will be met whilst maintaining capital in real terms.

Ongoing Charges

The ongoing charges ratio for the period under review is 1.27 per cent. This has been calculated using methodology as typically recommended by the AIC.

Financing

On 16 April 2015, the Company successfully refinanced and extended its existing acquisition from £100m to £120m. The facility is provided equally through RBS and Santander at preferential terms compared to the original facility as below.

Facility	Tenor	Libor +
£100m	3yr	225bps
£20m	1yr	185bps

Following period end, the Company confirmed a further extension of its acquisition facility from £120 million to £150 million at the following terms.

Facility	Tenor	Libor +
£100m	3yr	225bps
£50m	1yr	185bps

The Articles provide that gearing, calculated as borrowings as a percentage of the Company's Gross Asset Value ("GAV") will not exceed 50% at the time of drawdown. The Company is currently evaluating a number of long-term financing options which it anticipates to implement within this financial year.

As at 30 June 2015, the Company had drawn £90 million of its existing debt facility and had cash balances of £44.5 million. The level of debt in the Company as a percentage of GAV at the period end was 24.1%

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.

Both the Company and the Investment Manager are located outside the EEA but the Company's marketing activities in the UK are subject to regulation under the AIFMD.

Risk Management

Reliance is placed on the internal systems and controls of external service providers such as the Administrator and the Investment Manager in order to effectively manage risk across the portfolio. A Risk Management framework is in place which is reviewed on a regular basis by the Directors.

We consider the following as key risks and mitigants to the Company at this time are:

Electricity Market Reform ("EMR")

Risk: As a result of the introduction of the capacity mechanism under EMR, designed to ensure that the UK has sufficient reliable generating capacity to meet a specified capacity margin and prevent black-outs, wholesale electricity prices may be depressed, as some fossil-fuel power plants will receive capacity payments which will cover part of the costs of constructing and operating them. The carbon price floor is an element of EMR which is designed to support the deployment of renewable generation technologies by underpinning the price of carbon emissions allowances (required to be surrendered by fossil-fuelled combustion plants). However, the UK Government may decide to abolish the carbon price floor or set a lower trajectory for the increase of the carbon price floor. Such abolition, or the UK

Government setting a lower trajectory for the increase of the carbon price floor, would likely reduce the wholesale power price.

Mitigant: The UK Government remains committed to a balanced generation mix, whereby renewables as a share of future generation capacity will rise significantly. This is underpinned by EU and UK binding policy targets.

Decline in the Sale Price of Electricity
Risk: Generally, the price at which a solar PV plant sells its electricity is determined by market prices in the UK. A decline in the costs of other sources of electricity generation, such as fossil fuels or nuclear power, could reduce the wholesale price of electricity. A significant amount of new electricity generation capacity becoming available could also reduce the wholesale price of electricity.

Mitigant: Solar assets acquired under the ROC system will be exposed to market prices for electricity, accounting for c. 50% of overall plant revenue but will also benefit from the remaining 50% of revenues being guaranteed with ROCs. Electricity price-linked revenues are defined in PPAs signed with off-takers (typically a big six utility company).

Assets are subject to appropriate downside sensitivity analysis with respect to electricity prices to ensure that revenues remain robust in this scenario which will be reflected in the price we offer for each asset.

Risks Relating to RPI
Risk: The revenues and expenditure of solar PV assets via the ROC system are partly subject to indexation with reference to RPI. In absolute terms, distributions would be adversely affected by deflation.

Mitigant: We consider the inflation risk presented by these assets to be minimised through the explicit inflation-linked nature of both operating revenues and costs. On the revenue side, ROC prices are formally linked to RPI and for PPAs the electricity price forms part of the RPI basket of goods. For costs, O&M contract prices and land rents are both linked to inflation and as such there is a natural inflation linkage to costs and revenues.

An End to Grandfathering Policy Commitments
Risk: The UK has revised its policies supporting the renewable energy sector from time to time in order to reduce the benefits available to new renewable power generation projects. The assets would likely suffer a loss if the UK was to abandon the practice of grandfathering and apply adverse retrospective changes to the levels of support for operating projects

Mitigant: There is significantly less risk of support being reduced, withdrawn or changed for existing support-accredited projects. In order to maintain investor confidence, the UK has ensured that the benefits already granted to operating renewable power generation projects are exempted from future regulatory change. This practice is referred to as grandfathering. The UK's Renewable Obligation Certificate regime provides a stable 20 year subsidised revenue stream that increases over time in line with RPI. The value of ROCs is set for the fixed in legislation. Once accredited, the ROC banding for an individual plant is then grandfathered with its value increasing in line with inflation for a period of 20 years. The ROC system provides for a grandfathering of the ROC level once accredited and benefits from inflation-linked increases annually which will apply to the prospective assets.

The key mechanism which affected solar PV was the replacement of ROCs with a Contracts for Difference ("CfD") based scheme for all installations above 5 MW from 1 April 2015. Under this mechanism electricity generators will receive a fixed revenue stream for renewable generation and avoid the fluctuations that currently apply under ROCs from the market power price. This change represents how the UK has responded to market changes by introducing forward looking rather than retrospective policy changes. The UK is considered to be a stable regulatory regime which has no history of retrospectively changing tariffs.

The rise of gas power generation
Risk: The development of new gas power projects may discourage the deployment of renewable technologies. This could be exacerbated by the uptake of significant volumes of domestically-produced

shale gas or any other factor that results in falls in wholesale gas prices. Further, lower marginal costs for gas-fired generating plants will likely lead to lower overall electricity prices. Any significant move to gas power generation or other modern gas technologies, and away from renewable technologies greater than that currently assumed in the market, could negatively impact the power price and hence the assets.

Mitigant: The UK Government remains committed to a balanced generation mix, whereby renewables as a share of future generation capacity will rise significantly. This is underpinned by EU and UK binding policy targets.

The Price of Solar PV equipment rises
Solar PV equipment and installation costs fell almost 50% between 2000 and 2011 (Source: IPCC) with further, albeit less dramatic, decreases anticipated as the market matures and the number of participants continues to increase. Technological development of solar equipment continues at pace with the benefit of further improving performance over time and we do not envisage that these trends will reverse.

Shorter than Forecast Operational Life Span of Solar Panels
Each asset is subject to robust technical due diligence to assess the expected operational life span of the panels. Panels are typically covered under a 25 year performance warranty. The Company seeks to access projects with those reputable and proven equipment suppliers most able to demonstrate financial robustness being preferred.

Full scope O&M with experienced counterparties should further ensure any such issues are identified early and rectified appropriately.

Change in Weather Patterns in the UK
The profitability of a solar PV asset is dependent on the radiation conditions at the individual solar PV plants and upon the meteorological conditions at the particular site. Solar electricity generation is reliant upon daylight rather than sunlight and plants are able to continue to generate power even during poor weather. Annual solar radiation per square metre averages approximately 1,100kWh in the UK as a whole, with higher irradiance of up to 1,300kWh per square metre available in Cornwall. Each plant that is acquired will be subject to robust irradiation studies based on c. 20 years of historical weather data in order to derive a site irradiance value which is both conservative and robust and is appropriately accounted for in the acquisition price. Irradiation is the key determinant of solar power production and it is dependent on the hours of daylight availability as opposed to direct sunlight. This means that solar power plants are able to generate electricity even on days without clear skies. In addition, the levels of solar irradiance in the Southern parts of the UK compare favourably with those of Germany, the world's largest solar market with approximately one third of global installed capacity, making the UK a similarly viable location for solar investment. As a result the majority of solar power plants in the UK tend to be located in the Southern parts of England and Wales to maximise levels of production.

Poor O&M Services Reduce Performance of the Plant
Solar PV plants are relatively straightforward to maintain and operational risks are generally considered to be low. Nonetheless, for the first two years of operations, plant performance will be guaranteed under EPC warranties. Operational risk is further minimised by the use of experienced and financially robust counterparties, supported by availability guarantees and damages if these are not met. Termination provisions are contained within the underlying contracts to replace the O&M provider if performance is unsatisfactory. Foresight’s experience in managing this asset type since 2007 and our expertise in identifying strong counterparties further mitigate this factor.

Risks Relating to Due Diligence
Prior to the acquisition of a solar PV asset or any entity that holds a solar PV asset or rights to construct a solar PV asset, Foresight and its advisers will undertake commercial, financial, technical and legal due diligence on the assets.

Technical analysis of the build quality, lifecycle costs and asset life will be undertaken by the technical advisers appointed in connection with any proposed acquisition. It is not intended that the equipment and systems purchased will rely substantially on new technology and it is expected that such equipment and systems will have a track record in other solar PV assets.

Risks Relating to Solar PV Assets Under Construction

The construction complexity of solar power plants is considered to be relatively straightforward in comparison to other renewable energy generation technologies such as wind, primarily because a solar power plant has no moving parts. Furthermore, the technology used to install solar PV plants is simple and well established, with over 100 GW of global installed capacity. The key components are the panels, inverters and transformers which are supplied by a number of experienced counterparties and the supply contracts are supported by appropriate manufacturer warranties. Performance warranties are also provided by the EPC contractors and compensation in the form of liquidated damages is normally provided for any shortfall in the performance ratio ("PR") against the guaranteed PR in the EPC contract. After recent portfolio acquisitions, assets under construction do not represent more than 10% of installed portfolio capacity.

Delays in project construction may result in a reduction in returns caused by a delay in the project generating revenue. Foresight will typically seek to ensure that strong warranties and termination rights are in place with the contractor to compensate for such losses.

Outlook

The Company is encouraged that all £285 million of equity proceeds raised have now been invested, and believes the outlook for UK Solar remains attractive.

The March 2015 1.4 ROC banding deadline for assets over 5MW drove large amounts of activity this year in terms of new capacity being installed, with reports estimating that 1.6 GW was installed in Q1 2015 alone, bringing UK total installed capacity to 7GW. This scale of UK installed solar capacity has created an active market in large-scale secondary assets, and as such we are reviewing a number of secondary opportunities and have identified an attractive pipeline of operational assets accredited under the 1.4 ROC banding which it expects to complete before year end.

Moving forward we expect to see more large scale projects entering the auction process following the end of the ROC subsidy for assets over 5MW as equipment and installation costs in the UK solar sector continue to decrease. This may lead to solar becoming cost competitive with onshore wind in the short term, allowing for an increase in CfD allocation in future auction rounds. Although DECC recently announced the CfD auction for 2015 had been postponed, we still believe that CfDs will continue to be the main support mechanism for new renewable energy deployment and we continue to work closely with developers to ensure that we are well placed to take advantage of potential CfD projects in the future.

In our view, the recently announced Government changes, such as the removal of LECs and the consultation on early closure to the RO for sub 5MW assets, were not unexpected as DECC had previously flagged it would continue to monitor the deployment of new installation under the RO scheme and subsequent impact on the Levy Control Framework ("LCF"). We believe this confirms DECC's continued intention to introduce changes that support the future sustainability of the LCF without impacting the existing support mechanism for renewable energy investments, thereby reducing the likelihood of retroactive changes in the future.

If the early closure of the RO is confirmed, this will not affect any of the existing operational assets in the Fund portfolio or any of our announced projects under exclusivity. In relation to our immediate pipeline of assets, the projects identified have either been connected during the 1.4 ROC banding period or qualify for the Grace Period for 1.3 ROC assets.

The recently extended £150 million acquisition facility will allow the Company to take advantage of its pipeline in the near term. The Company is currently reviewing long-term debt opportunities which it intends to implement in Q4 this year. Taking advantage of the currently favourable debt markets and optimising the Company's capital structure will maximise returns and allow for the refinancing of the existing acquisition facility.

The Company expects to repay the facility through refinancing with a long-term debt facility in Q4 2015 and/or further equity issuance under its Placing Programme before it closes on 24 September 2015.

Foresight Group CI Limited

Investment Manager 4 August 2015

Environmental and Social Governance

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

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

Biodiversity Assessments
The Investment Manager has appointed Kent Wildlife Trust to explore the feasibility of maximising the biodiversity and wildlife potential for all of its UK solar assets. The initial phase of the initiative has involved undertaking site visits involving a walkover survey and preliminary desktop ecological study. The results have been used to prepare scoping reports which identify existing features of wildlife importance and assess the opportunities for biodiversity enhancements that each site offers.

These initial reports will be used for the preparation of a series of site specific biodiversity enhancement and management plan to secure long-term gains for wildlife. These assessments are still in progress across the portfolio.

Social
Hunters Race Solar Farm and Kencot Solar Farm were invited by the Solar Trade Association to open their operations to visitors from local homes, schools, businesses and community groups on 4 July 2015 as part of the nationwide Solar Independence day event. The event formed part of an educational push to communicate the benefits of solar and the need for more stable policy support.

An educational visit to Hunters Race Solar Farm by a local college in Chichester was undertaken in March 2015 and we continue to actively seek similar opportunities for the other assets within the portfolio.

Highfields Solar Farm led an educational tour on 12 April 2015 for local residents to explore the Solar Farm.

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

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.

Christopher Ambler
Mr Ambler has been the Chief Executive of Jersey Electricity plc since 1 October 2008. He previously held various senior positions in the global industrial, energy and materials sectors working for major

corporations, such as ICI/ Zeneca, the BOC Group and Centrica/British Gas as well as in strategic consulting roles. Mr Ambler is a Chartered Engineer and a Member of the Institution of Mechanical Engineers. He holds a first class Honours Degree from Queens' College Cambridge and an MBA from INSEAD.

Mr. Ambler is a Director on other Boards including a non-executive Director of Apex Global Alpha Limited, another listed fund which launched on the London Stock Exchange on 15 June 2015.

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 both of these boards. He is also on the Board of Foresight 3 VCT plc, Foresight 4 VCT plc, Graphite Enterprise Trust plc and Mears Group plc. He is also Chairman of Unicorn AIM VCT plc and Private Equity Investor plc.

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

Statement of Directors' Responsibilities

The Directors of Foresight Solar Fund Limited have accepted responsibility for the preparation of these non-statutory accounts for the period ended 30 June 2015 which are intended by them to give a true and fair view of the state of affairs of the company and of the profit or loss for that period. They have decided to prepare the non-statutory accounts in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

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

- Selected suitable accounting policies and applied them consistently;
- Made judgements and estimates that are reasonable and prudent;
- Stated whether they have been prepared in accordance with IFRSs as adopted by the EU*;* and
- Prepared the non-statutory accounts on the going concern basis as they believe that the company will continue in business.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website (which is delegated to Foresight Group and incorporated into their website).

We confirm that, to the best of our knowledge:

- The interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting as adopted by the EU; and
- The interim management report includes a fair review of the information required by:

a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period and any changes in the related party transactions described in the last annual report that could do so.

For and on behalf of the Board

Alexander Ohlsson
Chairman
4 August 2015

Condensed Consolidated Statement of Comprehensive Income
For the period 1 January 2015 to 30 June 2015

	Notes	**Unaudited Period 1 January 2015 to 30 June 2015 £'000**	Audited Period 13 August 2013 to 30 June 2014 £'000	Audited Period 13 August 2013 to 31 December 2014 £'000
Revenue				
Interest revenue	4	**10,383**	2,126	7,206
Gains on investments at fair value through profit or loss	16	**-**	9,851	6,354
		10,383	11,977	13,560
Expenditure				
Losses on investments at fair value through profit or loss	16	**(1,559)**	-	-
Finance costs	5	**(1,652)**	(2,064)	(2,474)
Management fees	6	**(1,158)**	(1,039)	(1,921)
Administration and accountancy expenses	7	**(90)**	(110)	(148)
Launch costs	8	**-**	(339)	(339)
Directors' fees	9	**(100)**	(109)	(172)
Other expenses	10	**(264)**	(228)	(399)
Total expenditure		**(4,823)**	(3,889)	(5,453)
Profit before tax for the period		**5,560**	8,088	8,107
Taxation	11	**(178)**	-	-
Profit and total comprehensive income for the period		**5,382**	8,088	8,107
Earnings per Ordinary Share (pence per Share)	12	**2.32**	5.39	5.90

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

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

Condensed Consolidated Statement of Financial Position
As at 30 June 2015

	Notes	**Unaudited 30 June 2015 £'000**	Audited 30 June 2014 £'000	Audited 31 December 2014 £'000
Assets				
Non-current assets				
Investments held fair value through profit or loss	16	**320,590**	124,794	249,190
Total non-current assets		**320,590**	124,794	249,190
Current assets				
Trade and other receivables	13	**8,222**	1,299	8,637
Cash and cash equivalents	14	**44,477**	32,394	6,768
Total current assets		**52,699**	33,693	15,405
Total assets		**373,289**	158,487	264,595
Equity				
Retained earnings		**(1,534)**	8,088	3,607
Stated capital	18	**279,448**	147,339	206,226
Total equity		**277,914**	155,427	209,833
Liabilities				
Non-current liabilities				
Long-term borrowings	20	**90,000**	2,100	48,105
Total non-current liabilities		**90,000**	2,100	48,105
Current liabilities				
Trade and other payables	15	**5,375**	960	6,657
Total current liabilities		**5,375**	960	6,657
Total liabilities		**95,375**	3,060	54,762
Total equity and liabilities		**373,289**	158,487	264,595
Net Asset Value per Ordinary Share	19	**£ 0.99**	£1.04	£1.01

The Condensed Consolidated Interim Financial Statements were approved by the Board of Directors on 4 August 2015 by:

Alexander Ohlsson
Chairman

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

Condensed Consolidated Statement of Changes in Equity
For the period 1 January 2015 to 30 June 2015 (unaudited)

	Notes	Stated Capital £'000	Retained Earnings £'000	Total £'000
Balance as at 1 January 2015		**206,226**	**3,607**	**209,833**
Total comprehensive income for the period:				
Profit for the period		**-**	**5,382**	**5,382**
Transactions with owners, recognised directly in equity:				
Dividends paid in the period		**-**	**(10,523)**	**(10,523)**
Issue of Ordinary Shares	18	**74,784**	-	**74,784**
Capitalised issue costs	18	**(1,562)**	-	**(1,562)**
Balance as at 30 June 2015		**279,448**	**(1,534)**	**277,914**

For the period 13 August 2013 to 30 June 2014 (audited):

	Notes	Stated Capital £'000	Retained Earnings £'000	Total £'000
Balance as at 13 August 2013		-	-	-
Total comprehensive income for the period:				
Profit for the period		-	8,088	8,088
Transactions with owners, recognised directly in equity:				
Issue of Ordinary Shares	18	150,000	-	150,000
Capitalised issue costs	18	(2,661)	-	(2,661)
Balance as at 30 June 2014		147,339	8,088	155,427

For the period 13 August 2013 to 31 December 2014 (audited):

	Notes	Stated Capital £'000	Retained Earnings £'000	Total £'000
Balance as at 13 August 2013		-	-	-
Total comprehensive income for the period:				
Profit for the period		-	8,107	8,107
Transactions with owners, recognised directly in equity:				
Dividends paid in the period		-	(4,500)	(4,500)
Issue of Ordinary Shares	18	210,146	-	210,146
Capitalised issue costs	18	(3,920)	-	(3,920)
Balance as at 31 December 2014		206,226	3,607	209,833

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

Condensed Consolidated Statement of Cash Flows
For the period 1 January 2015 to 30 June 2015

	Unaudited Period 1 January 2015 to 30 June 2015 £'000	Audited Period 13 August 2013 to 30 June 2014 £'000	Audited Period 13 August 2013 to 31 December 2014 £'000
Profit for the period before tax from continuing operations	**5,560**	8,088	8,107
Adjustments for:			
Unrealised loss/(gain) on investments	**1,559**	(9,851)	(6,354)
Financing income	**-**	(263)	-
Investment income	**(10,375)**	(1,858)	(7,191)
Finance costs	**1,652**	2,064	2,474
Operating cash flows before movements in working capital	**(1,604)**	(1,820)	(2,964)
Increase in trade and other receivables	**(32)**	(7)	(24)
Increase in trade and other payables	**244**	662	644
Net (payments to)/receipts from investments	**(854)**	-	154
Investment income	**9,053**	1,135	2,729
Net cash inflow/(outflow) from operating activities	**6,807**	(30)	539
Investing activities			
Advances for future investments	**-**	(276)	(155)
Acquisition of investments	**(72,253)**	(114,943)	(241,276)
Net cash outflow from investing activities	**(72,253)**	(115,219)	(241,431)
Financing activities			
Dividends paid	**(10,523)**	-	(4,500)
Finance costs paid	**(1,779)**	(1,766)	(2,141)
Net excess launch costs paid	**-**	(30)	(30)
Bank facility drawn down	**41,895**	2,100	50,205
Repayment of bank facility drawn down	**-**	-	(2,100)
Capitalised issue costs paid	**(1,222)**	(2,661)	(3,920)
Proceeds from issue of shares	**74,784**	150,000	210,146
Net cash inflow from financing activities	**103,155**	147,643	247,660
Net increase in cash and cash equivalents	**37,709**	32,394	6,768
Cash and cash equivalents at the beginning of the period	**6,768**	-	-
Cash and cash equivalents at the end of the period	**44,477**	32,394	6,768

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

Notes to the Condensed Consolidated Interim Financial Statements

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: Elizabeth House, 9 Castle Street, St Helier, Jersey, JE2 3RT.

The Company has one investment, Foresight Solar (UK Hold Co) Limited ("UK Hold Co"). UK Hold Co invests in further holding companies (the "SPVs") which then invest in the underlying investments. The principal activity of the Company and UK Hold Co (together "the Group") is investing in operational United Kingdom ("UK") ground based solar power plants.

2. Summary of significant accounting policies

2.1 Basis of presentation

The Unaudited Condensed Consolidated Interim Financial Statements (the "Interim Financial Statements") for the period 1 January 2015 to 30 June 2015 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 2014.

2.2 Comparative information

As the Company was incorporated on 13 August 2013, there is no directly comparable information for the Condensed Statement of Comprehensive Income, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Statement of Cash Flows and associated notes. Consequently, the comparative information provided is for the period 13 August 2013 to 30 June 2014 and for the period 13 August 2013 to 31 December 2014.

2.3 Going concern

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

2.4 Changes in accounting policies and disclosures

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

All standards, amendments and interpretations which are effective for the financial year beginning 1 January 2015 are not material to the Group.

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, were in issue but not yet effective:

- IFRS 9, 'Financial Instruments - Classification and Measurement'. There is currently no mandatory effective date, however the IASB has tentatively proposed that this will be effective for accounting periods commencing on or after 1 January 2018 (EU endorsement is outstanding).

These standards and interpretations will be adopted when they become effective. The Directors are currently assessing the impact of these standards and interpretations on the Financial Statements and anticipate that the adoption of the majority of these standards and interpretations in future periods will not have a material impact on the Interim Financial Statements or results of the Group.

2.5 Consolidation

Details of the Undertakings which the Company held as at 30 June 2015 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	Direct	UK	Holding Company	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%
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%

The direct subsidiary (UK Hold Co) is included in these Interim Financial Statements; the indirect subsidiaries are held at fair value through profit or loss as the Group meets the definition of an 'investment entity' under IFRS 10.

3. Critical accounting estimates and assumptions

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

3.1 Fair value of investments

The fair value of the investments is determined by using valuation techniques. The Directors base the fair value of the investments on information received from the Investment Manager. The Investment Manager's assessment of fair value of investments is determined in accordance with 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 on below, 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 not materially different from the fair value requirements of IAS 39.

4. Interest revenue

	Period 1 January 2015 to 30 June 2015	Period 13 August 2013 to 30 June 2014	Period 13 August 2013 to 31 December 2014
	£'000	£'000	£'000
Loan interest receivable	**10,357**	1,858	6,673
Other interest receivable	**-**	-	47
Bank interest receivable	**26**	268	486
	10,383	2,126	7,206

5. Finance costs

	Period 1 January 2015 to 30 June 2015	Period 13 August 2013 to 30 June 2014	Period 13 August 2013 to 31 December 2014
	£'000	£'000	£'000
Credit facility agreement arrangement fees (see note 20)	**472**	2,057	2,006
Credit facility agreement commitment fees (see note 20)	**141**	-	332
Interest on credit facility drawn down (see note 20)	**998**	7	59
Other finance costs	**41**	-	77

	1,652	2,064	2,474

6. Management fees

The Investment Manager of the Group, Foresight Group CI Limited, receives an annual fee of 1% of the Net Asset Value ("NAV") of the Group. This is payable quarterly in arrears and is calculated based on the published quarterly NAV. For the period 1 January 2015 to 30 June 2015, the Investment Manager was entitled to a management fee of £1,157,593 (13 August 2013 to 30 June 2014: £1,038,463; 13 August 2013 to 31 December 2014: £1,920,972) of which £617,428 was outstanding as at 30 June 2015 (30 June 2014: £389,541; 31 December 2014: £500,230).

7. 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 £80,000 payable quarterly in arrears. From December 2014 this increased to a minimum of £100,000 per annum resulting from an increase in stated capital. For the period 1 January 2015 to 30 June 2015, total administration and accountancy fees were £89,652 (13 August 2013 to 30 June 2014: £110,373; 13 August 2013 to 31 December 2014: £147,922) of which £54,462 was outstanding as at 30 June 2015 (30 June 2014 £35,399; 31 December 2014: £nil).

8. Launch costs

	Period 1 January 2015 to 30 June 2015	Period 13 August 2013 to 30 June 2014	Period 13 August 2013 to 31 December 2014
	£'000	£'000	£'000
Administration fees	**-**	23	23
Legal and professional fees	**-**	440	440
Other fees	**-**	1	1
Listing fees	**-**	89	89
Excess launch costs paid by Foresight Group CI Limited (see explanation below)	**-**	(214)	(214)
	-	339	339

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.

Of this £3,000,000, £2,660,956 was attributed to issue costs and therefore offset against the share proceeds in the stated capital reserve.

9. Directors' fees

Remuneration of the Directors of the Group is currently paid at a total rate of £140,000 per annum (13 August 2013 to 30 June 2014: £125,000 per annum; 13 August 2013 to 31 December 2014: £125,000 per annum). All of the Directors are Non-Executive Directors. Remuneration due for the period 1 January 2015 to 30 June 2015 is detailed below:

	Period 1 January 2015 to 30 June 2015	Period 13 August 2013 to 30 June 2014	Period 13 August 2013 to 31 December 2014
	£'000	£'000	£'000
Peter Dicks	**27**	26	41
Alexander Ohlsson	**40**	48	76
Christopher Ambler	**33**	35	55
	100	109	172

10. Other Expenses

	Period 1 January 2015 to 30 June 2015	Period 13 August 2013 to 30 June 2014	Period 13 August 2013 to 31 December 2014
	£'000	£'000	£
Bank charges	**2**	1	-
Annual fees	**53**	72	111
Listing fees	**-**	-	11

Legal and professional fees	**209**	155	277
	264	228	399

Included in legal and professional fees, are audit fees of £9,422 payable to KPMG LLP for the period (13 August 2013 to 30 June 2014: £32,190; 13 August 2013 to 31 December 2014: £32,000) all of which was outstanding as at 30 June 2015 (30 June 2014: £32,190; 31 December 2014: £19,000).

11. Taxation

The Company is currently registered in Jersey and is subject to the Jersey standard tax rate of 0%.

Tax arises in the United Kingdom in respect of UK Hold Co for which it is subject to the small profits tax rate currently at 20%.

Taxable income during the period was partially offset by brought forward losses and the tax charge for the period from 1 January 2015 to 30 June 2015 is £177,778 (13 August 2013 to 30 June 2014: £nil; 13 August 2013 to 31 December 2014: £nil). There are no tax losses carried forward at 30 June 2015 (30 June 2014 £nil; 31 December 2014: £8,000).

The temporary differences associated with unrealised gains/losses on investments held at fair value through profit or loss, for which a deferred tax liability has not been recognised, aggregate to £959,000 (30 June 2014: £1,970,000; 31 December 2014 £1,271,000).

12. Earnings per Ordinary share - basic and diluted

The basic and diluted profits per Ordinary Share for the Company are based on the profit for the period of £5,382,818 (13 August 2013 to 30 June 2014: £8,087,933; 13 August 2013 to 31 December 2014: £8,107,223) and on 232,282,312 (13 August 2013 to 30 June 2014: 150,000,000; 13 August 2013 to 31 December 2014: 137,367,589) Ordinary Shares, being the weighted average number of shares in issue during the period.

13. Trade and other receivables

	30 June 2015	30 June 2014	31 December 2014
	£'000	£'000	£'000
Accrued interest receivable	**5,783**	986	4,461
Prepaid expenses	**56**	7	24
Advances for future investments	-	276	155
Other receivables	**30**	30	30
Amounts receivable from Wymeswold	**1**	-	-
Amounts receivable from Bournemouth	**439**	-	253
Amounts receivable from Spriggs	-	-	730
Amounts receivable from Landmead	**1,913**	-	2,984

	8,222	1,299	8,637

14. Cash and cash equivalents

	30 June 2015	30 June 2014	31 December 2014
	£'000	£'000	£'000
Cash at bank	**37,877**	3,278	6,768
Cash in transit	**6,600**	29,116	-
	44,477	32,394	6,768

15. Trade and other payables

	30 June 2015	30 June 2014	31 December 2014
	£'000	£'000	£'000
Accrued issue costs	**340**	-	-
Accrued investment costs	-	-	1,560
Taxation payable	178	-	-
Accrued expenses	**1,093**	960	976
Amounts payable to Castle Eaton	**626**	-	840
Amounts payable to Highfields	**586**	-	563
Amounts payable to High Penn	**89**	-	30
Amounts payable to Pitworthy	**700**	-	665
Amounts payable to Spriggs	**204**	-	-
Amounts payable to Hunters Race	**1,169**	-	2,023
Amounts payable to Kencot	**390**	-	-
	5,375	960	6,657

16. Investments held at fair value through profit or loss

	Cost as at 1 January 2015	Additions - equity	Additions - shareholder loans	Cost as at 30 June 2015	Unrealised gain/(loss) as at 1 January 2015	Movement on unrealised gain/(loss)	Unrealised gain/(loss) as at 30 June 2015	Fair value as at 30 June 2015
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Wymeswold	45,046	-	-	45,046	3,684	40	3,724	48,770
Castle Eaton	22,508	-	-	22,508	192	(260)	(68)	22,440
Pitworthy	19,272	-	-	19,272	243	75	318	19,590
Highfields	15,403	-	-	15,403	247	(280)	(33)	15,370
High Penn	12,623	-	-	12,623	(123)	(210)	(333)	12,290
Hunter's Race	13,036	-	-	13,036	(26)	120	94	13,130

Spriggs	14,621	-	-	14,621	699	(590)	109	14,730
Bournemouth	47,911	-	-	47,911	249	1,230	1,479	49,390
Landmead	52,416	-	-	52,416	1,189	425	1,614	54,030
Kencot	-	19,121	30,338	49,459	-	(2,109)	(2,109)	47,350
Copley	-	-	23,500	23,500	-	-	-	23,500
	242,836	**19,121**	**53,838**	**315,795**	**6,354**	**(1,559)**	**4,795**	**320,590**

16. Investments held at fair value through profit or loss (continued)

	Cost as at 13 August 2013	Additions - equity	Additions - shareholder loans	Cost as at 30 June 2014	Unrealised gain/(loss) as at 13 August 2013	Movement on unrealised gain/(loss)	Unrealised gain/(loss) as at 30 June 2014	Fair value as at 30 June 2014
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000

Wymeswold	-	12,805	32,195	45,000	-	3,568	3,568	48,568
Castle Eaton	-	2,039	20,513	22,552	-	1,466	1,466	24,018
Pitworthy	-	1,835	17,475	19,310	-	2,760	2,760	22,070
Highfields	-	1,266	14,168	15,434	-	1,257	1,257	16,691
High Penn	-	1,051	11,596	12,647	-	800	800	13,447
	-	**18,996**	**95,947**	**114,943**	**-**	**9,851**	**9,851**	**124,794**

16. Investments held at fair value through profit or loss (continued)

Period 13 August 2013 to 31 December 2014

	Cost as at 13 August 2013	Additions - equity	Additions - shareholder loans	Cost as at 31 December 2014	Unrealised gain/(loss) as at 13 August 2013	Movement on unrealised gain/(loss)	Unrealised gain/(loss) as at 31 December 2014	Fair value as at 31 December 2014

	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Wymeswold	-	12,805	32,241	45,046	-	3,684	3,684	48,730
Castle Eaton	-	2,039	20,469	22,508	-	192	192	22,700
Pitworthy	-	1,835	17,437	19,272	-	243	243	19,515
Highfields	-	1,266	14,137	15,403	-	247	247	15,650
High Penn	-	1,051	11,572	12,623	-	(123)	(123)	12,500
Hunter's Race	-	1,915	11,121	13,036	-	(26)	(26)	13,010
Spriggs	-	2,076	12,545	14,621	-	699	699	15,320
Bournemouth	-	6,675	41,236	47,911	-	249	249	48,160

Landmead	-	10	52,406	52,416	-	1,189	1,189	53,605
	-	**29,672**	**213,164**	**242,836**	**-**	**6,354**	**6,354**	**249,190**

17. Fair value of assets and liabilities

Fair value hierarchy

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

Valuation process for Level 3 valuations

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 not materially different from the fair value requirements of IFRS 13.

Sensitivity analysis to significant changes in unobservable inputs within Level hierarchy

The Groups' investments are valued with reference to the discounted value of future cash flows. The Directors consider the valuation methodology used, including the key assumptions and discount rate applied, to be 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 significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 30 June 2015 are as shown below:

The Discounted Cash Flow ("DCF") valuations of the solar assets form the majority of the NAV calculation. The Directors consider the following assumptions to be significant inputs to the DCF calculation.

Discount rate

The weighted average discount rate used is 7.5%. 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.

	-0.50%	-0.25%	Base	+0.25%	+0.50%
Directors' valuation	£309.8m	£303.4m	**£297.1m**	£291.0m	£285.1m
NAV per share (pence)	**103.1**	**100.8**	**98.6**	**96.4**	**94.3**

Energy yield

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

	P10 (10 year)	Base	P90 (10 year)
Directors' valuation	£323.8m	**£297.1m**	£268.4m
NAV per share (pence)	**108.1**	**98.6**	**88.4**

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 1.43%.

The Group's NAV sensitivity to power price movements is lessened due to the fact that assets representing c.40% of the portfolio's operational capacity benefit from fixed price arrangements under the terms of their Power Purchase Agreements ("PPAs").

	-20.0%	-10.0%	Base	+10.0%	+20.0%
Directors' valuation	262.0	280.0	**297.1**	313.6	329.3
NAV per share (pence)	**86.1**	**92.5**	**98.6**	**104.4**	**110.0**

Inflation

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

	-1.0%	-0.5%	Base	+0.5%	+1.0%
Directors' valuation	£247.9m	£285.8m	**£297.1m**	£308.7m	£320.7m
NAV per share (pence)	**90.7**	**94.6**	**98.6**	**102.7**	**107.0**

Operating costs (investment level)

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

	-10.0%	-5.0%	Base	+5.0%	+10.0%
Directors' valuation	£302.0m	£299.5m	**£297.1m**	£294.6m	£292.1m
NAV per share (pence)	**100.3**	**99.5**	**98.6**	**97.7**	**96.8**

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

Period 1 January 2015 to 30 June 2015

	Total
	£'000
Balance at 1 January 2015	**249,190**
Total gains and (losses) in Condensed Consolidated Statement of Comprehensive Income:	
- unrealised from fair value adjustments	**(1,559)**
Purchases at cost	**72,959**
Balance at 30 June 2015	**320,590**

Period 13 August 2013 to 30 June 2014

	Total
	£'000
Balance at 13 August 2013	-
Total gains and (losses) in Consolidated Statement of Comprehensive Income:	
- unrealised from fair value adjustments	9,851
Purchases at cost	114,943
Balance at 30 June 2014	124,794

Period 13 August 2013 to 31 December 2014

	Total
	£'000
Balance at 13 August 2013	-

Total gains and (losses) in Consolidated Statement of Comprehensive Income:	
- unrealised from fair value adjustments	6,354
Purchases at cost	242,836
Balance at 31 December 2014	249,190

18. Stated Capital

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

Ordinary Shares

	30 June 2015 Shares	30 June 2014 Shares	31 December 2014 Shares
Opening balance	**208,000,000**	-	-
Issued during the period	**73,803,232**	150,000,000	208,000,000
Closing balance	**281,803,232**	150,000,000	208,000,000

Stated Capital

	30 June 2015 £'000	30 June 2014 £'000	31 December 2014 £'000
Opening balance	**206,226**	-	-
Proceeds from share issue	**74,784**	150,000	210,146
Less: issue costs capitalised	**(1,562)**	(2,661)	(3,920)

Closing balance	**279,448**	147,339	206,226

19. NAV per Ordinary Share

The Net Asset Value ("NAV") per redeemable Ordinary Share for the Company is based on the Net Asset Value at the reporting date of £277,914,346 (30 June 2014: £155,426,977; 31 December 2014: £209,832,917) and on 281,803,232 (30 June 2014: 150,000,000; 31 December 2014: 208,000,000) redeemable Ordinary Shares, being the number of Ordinary Shares in issue at the end of the period.

20. Long-term borrowings

	30 June 2015 £'000	30 June 2014 £'000	31 December 2014 £'000
Opening balance	**48,105**	-	-
Drawn down during the period	**41,895**	2,100	50,205
Repaid during the period	**-**	-	2,100
Closing balance	**90,000**	2,100	48,105

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

On 9 April 2015, the Company entered into a new £120,000,000 Revolving Credit Facility Agreement (the "New Facility Agreement") with The Royal Bank of Scotland Plc as agent and Santander Global Banking and Markets and The Royal Bank of Scotland Plc as arrangers who have agreed a Facility Commitment of £60,000,000 and £60,000,000 respectively. The New Facility Agreement replaces the Facility Agreement signed on 15 May 2014. The £120,000,000 is split into two tranches of £20,000,000 ("Facility A1") and £100,000,000 ("Facility A2").

As at the reporting date Facility A1 was fully drawn down and was outstanding and £70,000,000 of Facility A2 was been drawn down and was outstanding (30 June 2014: £2,100,000; 31 December 2014: £48,105,000 of the Facility Agreement was drawn down and outstanding).

The interest payable for the period 1 January 2015 to 30 June 2015 amounted to £997,953 (13 August 2013 to 30 June 2014: £6,881; 13 August 2013 to 31 December 2014: £58,499) of which £131,544 was outstanding as at 30 June 2015 (30 June 2014: £1,381; 31 December 2014: £31,661).

For the period, arrangement fees totalled £471,653 whilst commitment fees totalled £140,769 (13 August 2013 to 30 June 2014: £2,057,224 and £nil respectively; 13 August 2013 to 31 December 2014: £2,005,866 and £337,773 respectively) of which £20,167 and £53,723 were outstanding respectively as at 30 June 2015 (30 June 2014: £296,824 and £nil respectively; 31 December 2014: £19,010 and £225,778 respectively).

21. Capital Management

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

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

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the Consolidated Statement of Financial Position plus net debt. The gearing ratio as at 30 June 2015 was as follows:

	30 June 2015	30 June 2014	31 December 2014
	£'000	£'000	£'000
Total borrowings	**90,000**	2,100	48,105
Less: cash and cash equivalents	**(44,477)**	(32,394)	(6,768)
Net debt/(cash)	**45,523**	(30,294)	41,337
Total equity	**277,914**	155,427	209,833
Total capital	**323,437**	155,427	251,170
Gearing ratio	**14.07%**	**-**	16.46%

22. Dividends

Dividends paid during the period comprise an interim dividend in respect of the period from 13 August 2013 to 31 December 2014 of 3.0 pence per Ordinary Share and an interim dividend in respect of the period from 1 January 2015 to 31 March 2015 of 1.52 pence per Ordinary Share.

23. Related party disclosures

For the purposes of these Interim Financial Statements, a related party is an entity or entities who are able to exercise significant influence directly or indirectly on the Group's operations. Transactions between the Company and its subsidiary, which is a related party, have been eliminated on consolidation and are not disclosed in this note.

All the SPVs of the Group are cash generating solar farms with all revenues and expenses being related party transactions. During the period, the Group was entitled to loan interest on the shareholder loans, from the SPVs, totalling £10,306,506 (13 August 2013 to 30 June 2014: £1,857,618; 13 August 2013 to 31 December 2014: £6,673,317) of which £5,697,051 was outstanding as at 30 June 2015 (30 June 2014: £722,407; 31 December 2014: £4,093,297). During the period, UK Hold Co paid certain expenses on behalf of the SPVs. The net intercompany receivables and payables positions are stated in notes 13 and 15.

24. Transactions with the manager

Foresight Group CI Limited, acting as investment manager to the Group in respect of its investments, earned fees of £1,157,593 during the period (13 August 2013 to 30 June 2014: £1,038,463; 13 August 2013 to 31 December 2014: £1,920,972), of which £617,428 was outstanding as at 30 June 2015 (30 June 2014: £389,541; 31 December: £500,230).

As set out in note 8, 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 to be reimbursed from Foresight Group CI Limited amounted to £213,644 of which £29,671 was receivable as at 30 June 2015 (30 June 2014: £29,671; 31 December 2014: £29,671).

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 Group with a view to gaining economic benefits from its direction.

26. Post balance sheet events

On 21 July 2015, the New Facility Agreement was amended and restated in order to increase the commitments from £120,000,000 to £150,000,000 (the “Amended Facility Agreement”). The £150,000,000 is split into two tranches of £50,000,000 (Facility A1, which was previously for £20,000,000) and £100,000,000 (Facility A2, which remains unchanged).

On 23 July 2015, the Company completed the acquisition of 70% of the share capital of Southam Solar Limited, 78% of the share capital of Atherstone Solar Limited and 59% of the share capital of Paddock Wood Solar Limited.

On 4 August 2015 the Board approved a dividend of 1.52 pence per Ordinary Share to be paid on 30 September 2015.