

AZURE SUN BIDCO MANAGEMENT LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

AZURE SUN BIDCO MANAGEMENT LIMITED

COMPANY INFORMATION

Directors P Burgess (resigned 13 November 2019)
A Clapp (appointed 13 November 2019)
E A Wilson

Registered number 10508613

Registered office Windsor House
Bayshill Road
Cheltenham
England
GL50 3AT

Independent auditor Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

AZURE SUN BIDCO MANAGEMENT LIMITED

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AZURE SUN BIDCO MANAGEMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Directors

The directors who served during the year were:

P Burgess (resigned 13 November 2019)
A Clapp (appointed 13 November 2019)
E A Wilson

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

AZURE SUN BIDCO MANAGEMENT LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 2 June 2020

and signed on its behalf.



E A Wilson
Director

AZURE SUN BIDCO MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AZURE SUN BIDCO MANAGEMENT LIMITED

Opinion

We have audited the financial statements of Azure Sun Bidco Management Limited (the 'Company') for the year ended 31 December 2019, which comprise the Statement of income and retained earnings, the Balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

AZURE SUN BIDCO MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AZURE SUN BIDCO MANAGEMENT LIMITED (CONTINUED)

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

AZURE SUN BIDCO MANAGEMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AZURE SUN BIDCO MANAGEMENT LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the Company's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members for our audit work, for this report, or for the opinions we have formed.



Mark Evans (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG
Date: 17 June 2020

AZURE SUN BIDCO MANAGEMENT LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019 £	2018 £
Turnover	50,000	<i>50,000</i>
Gross profit	50,000	<i>50,000</i>
Administrative expenses	(11,617)	<i>(5,779)</i>
Operating profit	38,383	<i>44,221</i>
Interest receivable and similar income	1,184,099	<i>1,173,547</i>
Interest payable and expenses	(1,184,090)	<i>(1,184,869)</i>
Profit before tax	38,392	<i>32,899</i>
Profit after tax	38,392	<i>32,899</i>
Retained earnings at the beginning of the year	(61,849)	<i>(94,748)</i>
Profit for the year	38,392	<i>32,899</i>
Retained earnings at the end of the year	(23,457)	<i>(61,849)</i>
The notes on pages 8 to 11 form part of these financial statements.		

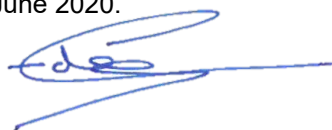
AZURE SUN BIDCO MANAGEMENT LIMITED
REGISTERED NUMBER: 10508613

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Investments	4	1	1
CURRENT ASSETS			
Debtors: amounts falling due within one year	5	16,678,597	17,315,920
Cash at bank and in hand		373	113,475
		<u>16,678,970</u>	<u>17,429,395</u>
Creditors: amounts falling due within one year	6	(16,702,427)	(17,491,244)
NET CURRENT LIABILITIES		<u>(23,457)</u>	<u>(61,849)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(23,456)</u>	<u>(61,848)</u>
NET LIABILITIES		<u>(23,456)</u>	<u>(61,848)</u>
CAPITAL AND RESERVES			
Called up share capital		1	1
Profit and loss account		(23,457)	(61,849)
		<u>(23,456)</u>	<u>(61,848)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2 June 2020.



E A Wilson
Director

The notes on pages 8 to 11 form part of these financial statements.

AZURE SUN BIDCO MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. GENERAL INFORMATION

The principal activity of the company during the year was that of an investment management holding company.

Azure Sun Bidco Management Limited is a private company limited by share, registered in England and Wales, registration number 10508613. The registered office is Windsor House, Bayshill Road, Cheltenham, England, GL50 3AT.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 GOING CONCERN

The Directors have assessed the Company's ability to continue as a going concern and have not identified any material uncertainties that cast doubt about the ability of the Company to continue as a going concern.

The Company has negative reserves at 31 December 2019 so may require assistance to support their going concern status, therefore they have obtained confirmation from its ultimate parent company that continued financial support will be made available to the company for the next 12 months from date of approval of the financial statements.

They therefore continue to adopt the going concern basis of accounting in preparing these financial statements.

2.3 REVENUE

Revenue represents income generated from Management charges and is recognised in the period to which it relates.

2.4 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

AZURE SUN BIDCO MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.5 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and related party loans.

Debtors

Short term debtors are measured at transaction price, less impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Creditors

Short term creditors are measured at the transaction price.

2.6 FINANCE COSTS

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3. EMPLOYEES

The average monthly number of employees, including directors with a contract of service, during the year was 0 (2018 - 0).

4. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
COST OR VALUATION	
At 1 January 2019	1
At 31 December 2019	<u>1</u>

AZURE SUN BIDCO MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

4. FIXED ASSET INVESTMENTS (continued)

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Azure Sun (Holdco) Limited	Ordinary	100%
Desford Lane Solar Farm Limited	Ordinary	100%
Wrotham Heath Solar Farm Limited	Ordinary	100%
Shortheath Solar Park Limited	Ordinary	100%
Smith Hall Solar Farm Limited	Ordinary	100%
Cherry Tree Solar Farm Limited	Ordinary	100%
Pollington Solar Limited	Ordinary	100%

The registered office of all companies is: Windsor House, Bayshill Road, Cheltenham, England, GL50 3AT.

The aggregate of the share capital and reserves as at 31 December 2019 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Azure Sun (Holdco) Limited	(316,301)	82,561
Desford Lane Solar Farm Limited	(28,013)	122,905
Wrotham Heath Solar Farm Limited	(372,063)	(19,855)
Shortheath Solar Park Limited	(145,883)	(30,332)
Smith Hall Solar Farm Limited	(238,659)	34,347
Cherry Tree Solar Farm Limited	(66,576)	58,430
Pollington Solar Limited	(232,636)	(54,802)

AZURE SUN BIDCO MANAGEMENT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

5. DEBTORS

	2019 £	2018 £
Amounts owed by group undertakings	16,677,553	17,315,920
VAT Recoverable	1,044	-
	<u>16,678,597</u>	<u>17,315,920</u>

Amounts owed by group undertakings consist of loans to trading subsidiary companies. The loans carry interest at 7.25% per annum and are repayable on demand.

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	6,264	-
Amounts owed to group undertakings	16,692,888	17,485,495
VAT Payable	-	2,500
Accruals and deferred income	3,275	3,249
	<u>16,702,427</u>	<u>17,491,244</u>

Amounts owed to group undertakings are unsecured and bear interest at 7% per annum accrued on a daily basis. The loan together with the accrued interest shall be repayable in full or in part on demand from the lender.

7. CONTROLLING PARTY

The ultimate parent is PIP Multi-Strategy Infrastructure LP, this is a limited partnership established in England and Wales, registered office: Windsor House, Bayshill Road, Cheltenham, England, GL50 3AT.

8. FIRST TIME ADOPTION OF FRS 102

The policies applied under the entity's previous accounting framework, upon which the financial statements for the year ended 31 December 2018 were prepared, are not materially different to FRS 102 and have not impacted on equity or profit and loss.

AZURE SUN BIDCO MANAGEMENT LIMITED

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £	2018 £
Turnover		50,000	50,000
Less: overheads			
Administration expenses		(11,617)	(5,779)
Operating profit		38,383	44,221
Group Interest receivable		1,184,099	1,173,547
Group Interest payable		(1,184,090)	(1,184,869)
Profit for the year		38,392	32,899
		2019 £	2018 £
Administration expenses			
Legal and professional		8,420	3,180
Auditors' remuneration		3,100	2,500
Bank charges		97	99
		11,617	5,779
