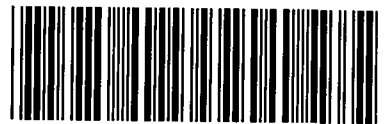


Fern Trading Limited

**Annual report and financial statements
for the year ended 30 June 2014**

Registered number 06447318

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Fern Trading Limited
Annual report and financial statements
for the year ended 30 June 2014

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Fern Trading Limited

Directors and advisers

Directors

PS Latham

KJ Willey

PG Barlow (appointed 01/11/13)

S Crane (resigned 30/06/13)

Company secretary

OCS Services Limited

Company number

06447318

Registered office

4th Floor

20 Old Bailey

London

EC4M 7AN

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Central Square South

Orchard Street

Newcastle upon Tyne

NE1 3AZ

Fern Trading Limited

Strategic report for the year ended 30 June 2014

Principal activities

In the financial year to 30 June 2014, Fern Trading Limited (the "company") has continued to focus in the main on a variety of specialist lending activities. The managers of the group have continued to make a number of loans which provide a stable source of income to the group with stable and defensive characteristics. These include short-term lending to property businesses and lending for commercial solar energy installations among other sectors.

The performance of these counterparties has been consistently good and this has delivered a growth in turnover and operating profit in line with the objectives of the group.

In addition to the above, Fern Trading Limited also acquired 100% of a number of companies during the year. The majority of these related to operational solar companies and their related holding companies. As a result the current year accounts show a consolidated position whereas the comparative figures are for Fern Trading Limited as a stand-alone entity.

In the short to medium term the group expects to achieve moderate organic growth in the sectors it currently operates in as well as seeking to identify new sectors with an appropriate level of demand and downside protection to deploy further capital contributions.

Principal risks and uncertainties

The Company is a short term lender to the residential property market. To the extent that there is a deterioration in the level of house prices which affects the properties that the Company's loans are secured against, there is a risk that the Company would not recoup its full exposure. This is mitigated by the short term nature of the loans and the conservative level of loan to value that the Company is prepared to lend at.

The Company provides funding for the installation of commercial solar parks. There is a risk that once operational, the solar park fails to generate sufficient income and therefore is not able to service or repay its installation loan. This is mitigated by thorough technical diligence prior to the start of construction and by ensuring visibility over the ultimate buyer of the electricity.

The Company is the sole shareholder in 3 operational solar parks. There is a risk that these solar parks fail to achieve the levels of income forecast. As above, this is mitigated by thorough technical diligence prior to the acquisition of the sites and visibility over the ultimate buyer of the electricity.

Financial key performance indicators

The Company focuses on capital preservation and therefore monitors loan to value levels as its key performance indicator. These depend on each loan and in the year ending 30 June 2014 all loan to value ratios were at acceptable levels. In the case of its operational subsidiaries, performance is measured against a detailed financial forecast model and results have thus far been in line with expectation.

Results and dividends

The profit for the year, after taxation, amounted to £26,753,528 (2013: £12,734,843) on turnover of £108,178,898 (2013: £32,735,006).

No dividends were paid in the year (2013: £nil), equally no dividends are proposed for the current year to allow for provision against future investment.

Objectives and strategies

The directors do not expect any change in the group's activities during the next financial year.

Fern Trading Limited

Strategic report for the year ended 30 April 2014 (continued)

Principal risks and uncertainties

The Directors place a particular emphasis on minimising the risk to the group's capital by ensuring all activities carried out meet the requirement that they target capital preservation.

The key risk faced by the group is the credit risk of its customers. Minimisation is achieved through solid underlying security, such as a charge over a tangible asset, which decreases the potential risk of the company's capital.

There is not considered to be a substantial price risk, as Fern Trading Limited are not subject to purchasing any products or services in order to perform their operations. Liquidity and cash flow risk is low, as all the operations involve transfers of cash, and loans granted to other entities have started to reach maturity within the year. Fern Trading Limited has since been able to build up a strong cash position.

On behalf of the board

A handwritten signature in black ink, consisting of a stylized, cursive 'P' and 'S' followed by a horizontal line extending to the right.

PS Latham

Director

30 October 2014

Fern Trading Limited

Directors' report for the year ended 30 June 2014

The directors present their report and the audited consolidated financial statements for the year ended 30 June 2014.

Directors

The directors who served during the year and up to the date of signing the financial statements were:

PS Latham

KJ Willey

PG Barlow

Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the Annual 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 prepared the group and parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group 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 the group and 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

Independent auditors

PricewaterhouseCoopers LLP were appointed as auditors during the year.

Fern Trading Limited

Directors' report for the year ended 30 June 2014 (continued)

Independent auditors

PricewaterhouseCoopers LLP were appointed as auditors during the year.

On behalf of the board

PS Latham

Director

30 October 2014

A handwritten signature in black ink, consisting of a vertical line on the left, a horizontal line extending to the right, and a few diagonal strokes above the horizontal line.

Fern Trading Limited

Independent auditors' report to the members of Fern Trading Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2014 and of the group's and the parent company's profit and cash flows 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The group financial statements and parent company financial statements (the "financial statements"), which are prepared by Fern Trading Limited, comprise:

- the group and company balance sheet as at 30 June 2014;
- the group profit and loss account for the year then ended;
- the group statement of cash flows for the year then ended;
- the reconciliation of net cash flow to movement in net funds for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

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

Fern Trading Limited

Independent auditors' report to the members of Fern Trading Limited (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

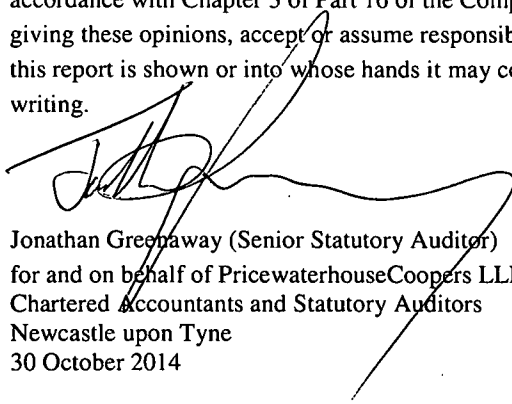
Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Jonathan Greenaway (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
30 October 2014

Fern Trading Limited

Group profit and loss account for the year ended 30 June 2014

	Note	2014 £	2013 £
Turnover	1	108,178,898	32,735,006
Cost of sales		(48,721,678)	-
Gross profit		59,457,220	32,735,006
Administrative expenses		(36,907,682)	(22,423,195)
Operating profit	2	22,549,538	10,311,811
Income from fixed asset investments		11,727,143	5,550,860
Profit on disposal of investments		389,657	471,550
Interest receivable and similar income	5	432,048	230,494
Interest payable and similar charges	5	(595,274)	-
Profit on ordinary activities before taxation		34,503,112	16,564,715
Tax on profit on ordinary activities	6	(7,749,584)	(3,829,872)
Profit for the financial year	15	26,753,528	12,734,843

All results relate to continuing activities. There are no material differences between the profit on ordinary activities before taxation and the profit for the financial years and their historical cost equivalents.

There are no recognised gains or losses for the period, other than those disclosed in the group profit and loss above.

Fern Trading Limited

Group balance sheet as at 30 June 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible assets	7	68,664,656	-
Goodwill	8	32,559,315	-
Investments	9	78,350,626	130,692,984
		179,574,597	130,692,984
Current assets			
Stocks	10	502,039	8,915,581
Debtors	11	600,474,053	317,010,295
Investments	12	7,342,846	9,512,911
Cash at bank and in hand		54,050,270	33,266,173
		662,369,208	368,704,960
Creditors: amounts falling due within one year	13	(26,921,337)	(3,667,346)
Net current assets		635,447,871	365,037,614
Net assets		815,022,468	495,730,598
Capital and reserves			
Called up share capital	14	64,899,473	41,215,053
Share premium account	15	699,723,158	430,869,236
Profit and loss account	15	50,399,837	23,646,309
Total shareholders' funds	16	815,022,468	495,730,598

These consolidated financial statements on pages 8 to 27 were approved by the board of directors on 30 October 2014 and are signed on their behalf by:



PS Latham
Director

Registered number 06447318

Fern Trading Limited

Company balance sheet as at 30 June 2014

	Note	2014 £	2013 £
Fixed assets			
Investments	9	78,350,628	130,692,984
Current assets			
Stocks	10	502,039	8,915,581
Debtors	11	698,473,987	317,010,295
Investments	12	7,342,846	9,512,911
Cash at bank and in hand		45,574,797	33,266,173
		751,893,669	359,192,049
Creditors: amounts falling due within one year	13	(13,663,486)	(3,667,346)
Net current assets		738,230,183	365,037,614
Net assets		816,580,811	495,730,598
Capital and reserves			
Called up share capital	14	64,899,473	41,215,053
Share premium account	15	699,723,158	430,869,236
Profit and loss account	15	51,958,180	23,646,309
Total shareholders' funds		816,580,811	495,730,598

These financial statements on pages 8 to 27 were approved by the board of directors on 30 October 2014 and are signed on their behalf by:



PS Latham
Director

Fern Trading Limited

Group statement of cash flows for the year ended 30 June 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	17	(299,651,987)	(45,425,896)
Returns on investments and servicing of finance	18	175,016	230,494
Taxation		(4,596,136)	(3,753,248)
Capital expenditure and financial investment	18	32,318,862	(112,614,394)
Cash outflow before financing		(271,754,245)	(161,563,044)
Financing	18	292,538,342	182,607,110
Increase in cash in the year		20,784,097	21,044,066

Reconciliation of net cash flow to movement in net funds for the year ended 30 June 2014

	2014 £	2013 £
Increase in cash in the year	20,784,097	21,044,066
Movement in net funds in the year	20,784,097	21,044,066
Net funds at 1 July 2013	33,266,173	12,222,107
Net funds at 30 June 2014	54,050,270	33,266,173

Fern Trading Limited

Statement of accounting policies

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principle accounting policies, which have been applied consistently throughout the year, are set out below.

Basis of consolidation

The consolidated financial statements include the results of Fern Trading Limited and all of its subsidiary undertakings drawn up to 30 June 2014. No profit and loss account for the company has been presented as permitted by Section 408 of the Companies Act 2006. In preparing the consolidated financial statements uniform accounting policies have been adopted across the group and profits/losses on intra group transactions have been eliminated.

Turnover

Fern Trading Limited operates two main classes of business. They are primarily a money lending business in the United Kingdom. Turnover represents arrangement fees and loan interest, net of value added tax and is recognised upon delivery of the relevant services.

Another source of revenue is derived from Fern Trading Limited's subsidiaries (of which it is the sole shareholder); solar farms that generate turnover from sale of electricity generated during the period. Any uninvoiced income is accrued in the period in which it has been generated.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Leasehold property	-	4% straight line
Plant and machinery	-	4% and 10% straight line

Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Investments

Investments held as fixed assets are shown at cost less provision for impairment

Cash

Cash includes cash in hand and deposits repayable on demand.

Fern Trading Limited

Statement of accounting policies (continued)

Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Stocks

Stocks are valued at the lower of cost being the purchase price, and net realisable value after making due allowance for obsolete and slow-moving stocks.

Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

Goodwill

Goodwill is held at amortised cost and is amortised over 20 years.

Accrued income

Accrued income is calculated at the rate of interest set out in the loan contracts.

Deferred income

Deferred income is recognised in accordance with the terms set out in the contract, and is recognised in revenue

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

Fern Trading Limited

Notes to the financial statements for the year ended 30 June 2014

1 Turnover

All turnover arose within the United Kingdom.

2 Operating profit

This is stated after charging:

	2014	2013
	£	£
Depreciation of tangible fixed assets – owned by the company	549,669	-
Auditor's remuneration	35,000	20,000
Auditor's remuneration – non audit services	8,500	-
Auditor's remuneration – taxation compliance services	17,000	-
Difference on foreign exchange	243,894	1,530

3 Staff costs

	2014	2013
	£	£
Wages and Salaries	-	53,750
Social Security Costs	-	3,094
	-	56,844

There are no employees other than Directors in the current year.

4 Directors' remuneration

	2014	2013
	£	£
Emoluments	58,333	53,750

During the year no pension contributions were made in respect of the directors (2013: none).

Fern Trading Limited

Notes to the financial statements for the year ended 30 June 2014 (continued)

5 Interest

Interest payable and similar charges	2014	2013
	£	£
On external loans	595,274	-

Interest receivable and similar income	2014	2013
	£	£
On bank balances	432,048	230,494

6 Tax on profit on ordinary activities

(a) Analysis of charge in year

	2014	2013
	£	£
<i>Current taxation:</i>		
UK corporation tax charge on profit for the year	7,829,034	3,822,237
Adjustments in respect of prior periods	89,269	7,635
Total current taxation	7,918,303	3,829,872
<i>Deferred taxation:</i>		
Origination and reversal of timing differences	(258,689)	-
Effect of change of tax rates	89,970	-
Total deferred taxation	(168,719)	-
Tax on profit on ordinary activities	7,749,584	3,829,872

Fern Trading Limited

Notes to the financial statements for the year ended 30 June 2014 (continued)

6 Tax on profit on ordinary activities (continued)

(b) Factors affecting tax charge for the year

The tax assessed for the year is higher (2013: higher) than the standard rate of corporation taxation in the UK of 22.5% (2013: 23.75%). The differences are explained below:

	2014	2013
	£	£
Profit on ordinary activities before tax	34,503,112	16,564,715
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22.5% (2013: 23.75%)	7,763,200	3,934,233
Effects of:		
Pre trading expenditure	91,101	-
Adjustments in respect of prior periods	89,269	7,635
Expenses not deductible for tax purposes	176,805	-
Book profit on chargeable assets	-	(111,996)
Income not taxable for tax purposes	(89,004)	-
Capital allowances in excess of depreciation	(113,068)	-
Current tax charge for the year (note6(a))	7,918,303	3,829,872

(c) Factors that may affect future tax charge

Legislation to reduce the main rate of UK corporation tax from 24% to 23% from April 2013 was included in the Finance Act 2012.

During the period, as a result of the changes in the UK corporation tax rate to 21% from 1 April 2014 and to 20% from 1 April 2015, which were substantially enacted on 2 July 2013, the relevant deferred tax balances have been measured at the last enacted rate of 20%.

Further decreases are expected to be enacted in future finance bills.

Fern Trading Limited

Notes to the financial statements for the year ended 30 June 2014 (continued)

7 Tangible fixed assets

Group	Plant and machinery
	£
Cost	
At 1 July 2013	-
Additions	69,214,325
At 30 June 2014	69,214,325
Depreciation	
At 1 July 2013	-
Charge for the year	549,669
At 30 June 2014	549,669
Net book value	
At 30 June 2014	68,664,656
At 30 June 2013	-

8 Goodwill

Group	£
Cost	
At 1 July 2013	-
Acquisitions	32,811,456
At 30 June 2014	32,811,456
Amortisation	
At 1 July 2013	-
Charge for the year	252,141
At 30 June 2014	252,141
Net book value	
At 30 June 2014	32,559,315
At 30 June 2013	-

Fern Trading Limited

Notes to the financial statements for the year ended 30 June 2014 (continued)

8 Goodwill (continued)

During the year the group acquired 100% of the shares of Jura Solar Limited, Abbots Ripton Solar Energy Holding Limited, Abbots Ripton Solar Energy Limited, Mingay Farm Holding Limited and Mingay Farm Limited for a consideration of £28.9m. The net liabilities acquired totalled £4.5m. There were no fair value adjustments arising.

The assets/ (liabilities) acquired were as follows:

	£'m
Fixed assets	63.4
Debtors	12.2
Cash	-
Creditors	(80.1)
	(4.5)

The consideration includes £12.2m which is deferred for a maximum period of twelve months from the acquisition date. The consideration has been based on an agreed discount rate. The agreement includes benchmarking provisions to enable the discount rate to be adjusted if the discount rate is found to be not in line with market rates. This benchmarking exercise will be completed within two years of the acquisition. The directors believe that the discount rate is in line with market rates and no expect an adjustment to arise.

The acquired companies reported a loss of £1m in the period to the acquisition.

Since acquisition, the companies have contributed £0.9 in turnover and £0.4m in operating profit.

9 Fixed asset investments

Group	Unlisted investments £
Cost and net book value	
At 1 July 2013	130,692,984
Additions	-
Disposals	(52,342,358)
30 June 2014	78,350,626

Fern Trading Limited

Notes to the financial statements for the year ended 30 June 2014 (continued)

9 Fixed asset investments (continued)

Company	Subsidiary undertakings £	Unlisted investments £
Cost and net book value		
At 1 July 2013	-	130,692,984
Additions	2	-
Disposals	-	(52,342,358)
30 June 2014	2	78,350,626

Unlisted investments comprise the company's and the group's holding of the members' capital of Terido LLP, a money lending business. Fern co-founded Terido LLP in October 2012 with the intention of conducting a proportion of its future trade through the partnership. Terido LLP has not been treated as a subsidiary undertaking and its results have not been consolidated as, in the opinion of the directors, Fern Trading Limited is unable to exert significant influence over its activities.

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Date of acquisition	Class of shares	Holding
The Fern Power Company Limited	08/01/14	Ordinary shares	100%
Dafen Reserve Power Limited	08/01/14	Ordinary shares	100%
Fern Renewable Energy Limited	29/04/14	Ordinary shares	100%
Mingay Farm Holding Limited	30/04/14	Ordinary shares	100%
Mingay Farm Limited	30/04/14	Ordinary shares	100%
Jura Solar Limited	30/04/14	Ordinary shares	100%
Abbots Ripton Solar Energy Holding Limited	30/04/14	Ordinary shares	100%
Abbots Ripton Solar Energy Limited	30/04/14	Ordinary shares	100%

Acquisition accounting has been used for all acquisitions.

Fern Trading Limited

Notes to the financial statements for the year ended 30 June 2014 (continued)

10 Stocks

	2014	2013
Group and Company	£	£
Goods for Resale	502,039	8,915,581

11 Debtors

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	250,302,207	315,560,763	249,408,418	315,560,763
Other debtors	329,321,865	1,137,274	428,037,092	1,137,274
Deferred tax	168,720			
Prepayments and accrued income	20,681,261	312,258	21,028,477	312,258
	600,474,053	317,010,295	698,473,987	317,010,295

12 Current asset investments

Group and Company	Unlisted investments £
Cost and net book value	
At 1 July 2013	9,512,911
Disposals	(2,170,065)
30 June 2014	7,342,846

Unlisted investments represent an investment in Bracken Holdings Limited, a company with key management personnel in common with Fern Trading Limited. This investment represents a 5% (2013: 5%) share of Bracken Holdings Limited's ordinary share capital.

Fern Trading Limited

Notes to the financial statements for the year ended 30 June 2014 (continued)

13 Creditors: amounts falling due within one year

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Trade creditors	1,950,888	56,855	403,006	56,855
Corporation tax	4,198,528	1,045,080	4,198,528	1,045,080
Other creditors	13,900,805	644,623	2,402,993	644,623
Accruals and deferred income	6,871,116	1,920,788	6,658,959	1,920,788
	26,921,337	3,667,346	13,663,486	3,667,346

14 Share capital

Group and Company	2014	2013
Allotted, called-up and fully paid	£	£
648,994,730 (2013: 412,150,530) Ordinary shares of £0.10 each	64,899,473	41,215,053

During the year the group and company issued 236,844,200 (2013: 151,479,347) Ordinary shares of £0.10 each for a consideration of £292,538,342 (2013: £180,257,412) giving rise to a premium of £268,853,922 (2013: £165,109,477).

15 Reserves

Group	Share premium account	Profit and loss account
	£	£
At 1 July 2013	430,869,236	23,646,309
Profit for the financial year	-	26,753,528
Premium on shares issued during the year	268,853,922	-
At 30 June 2014	699,723,158	50,399,837

Fern Trading Limited

Notes to the financial statements for the year ended 30 June 2014 (continued)

15 Reserves (continued)

Company	Share premium account £	Profit and loss account £
At 1 July 2013	430,869,236	23,646,309
Profit for the financial year	-	28,311,871
Premium on shares issued during the year	268,853,922	-
At 30 June 2014	699,723,158	51,958,180

16 Reconciliation of movement in shareholders' funds

Group	2014 £	2013 £
Opening shareholders' fund	495,730,598	302,738,343
Profit the year	26,753,528	12,734,843
Shares issued during the year	23,684,420	15,147,935
Share premium on shares issued (net of expenses)	268,853,922	165,109,477
Closing shareholders'(deficit)/funds	815,022,468	495,730,598

Fern Trading Limited

Notes to the financial statements for the year ended 30 June 2014 (continued)

17 Net cash flow from operating activities

	2014	2013
	£	£
Profit before taxation	34,503,112	10,311,811
Depreciation of tangible fixed assets	549,669	-
Profit on disposal of tangible fixed assets	389,657	-
Interest	(175,016)	-
Amortisation of goodwill	252,141	-
Decrease in stocks	8,413,542	-
Increase in debtors	(351,639,125)	(53,757,918)
Increase/(decrease) in creditors	8,054,033	(1,979,789)
Net cash inflow from operating activities	(299,651,987)	(45,425,896)

18 Analysis of cash flows for headings netted in cash flow statement

	2014	2013
	£	£
Returns on investments and servicing of finance		
Interest received	175,016	230,494
Net cash outflow from returns on investments and servicing of finance	175,016	230,494

Fern Trading Limited

Notes to the financial statements for the year ended 30 June 2014 (continued)

18 Analysis of cash flows for headings netted in cash flow statement (continued)

	2014	2013
	£	£
Capital expenditure and financial investment		
Purchase of fixed assets	(5,823,163)	-
Purchase of unlisted and other investments	(48,417,697)	(120,250,000)
Sales of unlisted and other investments	84,000,000	4,000,000
Purchase of short term unlisted investments	-	(19,740,389)
Sale of short term unlisted investments	2,559,722	23,375,995
Net cash outflow from capital expenditure	32,318,862	(112,614,394)

	2014	2013
	£	£
Financing		
Issue of ordinary shares	292,538,342	182,607,110
Net cash inflow/(outflow) from financing	292,538,342	182,607,110

19 Analysis of changes in net debt

	1 July 2013	Cash flow	Other non-cash changes	30 June 2014
	£	£	£	£
Cash at bank and in hand	33,266,173	20,784,097	-	54,050,270
Debt:				
Finance leases	-	-	-	-
Debts due within one year	-	-	-	-
Net funds	33,266,173	20,784,097	-	54,050,270

Fern Trading Limited

Notes to the financial statements for the year ended 30 June 2014 (continued)

20 Post-balance sheet events

There is a newly incorporated entity post-year end, under Fern Trading Limited; Fern Energy Limited. This has no effect on the performance for the year to 30 June 2014, or on the financial position as at 30 June 2014.

21 Related party transactions

	Amounts included in trade debtors in the year ended 30 June 2014	Interest receivable in the year ended 30 June 2014	Amounts included in trade debtors in the year ended 30 June 2013	Interest receivable in the year ended 30 June 2013
Aashman Power Limited / Jutta Solar Limited	-	-	217,592	1,612
Alfraganus Energy Limited	208,093	8,093	-	-
Alhazen Energy Limited	4,347,658	137,658	-	-
Allunga Limited	1,653,552	33,552	-	-
Arevalous Power Limited	1,139,780	23,248	-	-
Asiane Limited	901,462	43,128	212,432	787
Bhaskar Limited	169,079	4,780	269,072	19,072
Belakane Solar Limited	1,729,937	25,773	-	-
Brunissen Limited	2,813,535	246,535	2,255,405	70,051
Cauchy Energy Limited	5,428,092	128,092	-	-
Chemosh Limited	2,225,824	33,160	2,040,983	36,401
Chamania Limited	6,275,652	185,652	-	-
Chuku Power Limited	4,644,710	265,611	4,021,046	84,448
Cleomedes Energy	7,578,890	178,890	-	-
Clothilda Solar Limited	464,412	14,412	-	-
Condamine Energy	1,742,758	42,393	5,844,009	67,288
Cyrah Power	797,517	33,050	4,330,764	73,004
Dajbog Limited	3,794,524	56,315	3,877,741	44,934
Dhatar Limited	26,081	737	173,224	2,523
Dijun Limited	11,112	28	-	-
Draconids Limited	1,799,173	74,559	5,535,026	101,720
Dudugera Limited	187,690	11,690	96,178	714
Eleadora Limited	3,140,891	90,891	-	-
Elke Solar Limited	7,428,091	207,696	-	-
Elli Solar Limited	5,804,556	118,397	-	-
Enke Solar Limited	28,579	109	-	-
Fauth Energy Limited	5,713,374	236,806	-	-
Flammarion Energy Limited	5,604,117	248,260	5,133,097	87,240
Foucault Energy Limited	4,173,123	415,764	3,185,254	95,601
Gassendi Energy Limited	1,289,831	31,375	5,362,909	90,518

Fern Trading Limited

Notes to the financial statements for the year ended 30 June 2014 (continued)

21 Related party transactions (continued)

	Amounts included in trade debtors in the year ended 30 June 2014	Interest receivable in the year ended 30 June 2014	Amounts included in trade debtors in the year ended 30 June 2013	Interest receivable in the year ended 30 June 2013
GreenCo Services 2 Limited	628,024	17,268	3,583,228	67,288
Grian Power Limited	4,126,263	116,663	3,269,917	99,147
Harpalus Energy Limited	633,146	17,901	522,195	13,424
Healthcare Education Business Services Limited	1,678,316	237,020	2,271,536	129,316
Hipparchus Energy Limited	1,743,085	72,812	832,342	5,468
Horrebow Energy Ltd	412,021	12,691	850,848	60,302
Iarilo Limited	3,795,898	105,898	-	-
Intina Power Limited	2,727,120	40,629	3,043,919	53,919
Isidoris Energy Limited	653,433	6,960	-	-
JAC Rights Management Holdings 1 Limited	-	-	2,610,868	160,868
Kaikala Limited	2,709,435	65,907	7,577,811	132,103
Kala Power Limited / Hedwig Solar Limited	-	-	220,401	1,633
Kunowsky Energy Limited	91,634	1,366	-	-
Malakbel Limited	824,066	24,066	-	-
Mallina Power Ltd	48,553	1,476	525,528	20,453
Martanda Limited	5,069,139	325,462	3,170,241	70,241
Mediaco Business Services Limited	1,984,777	81,947	2,389,494	166,697
Mehrang Limited	1,064,478	44,478	-	-
Miralalou Limited	2,412,921	112,921	-	-
Meri Power Limited / Gerde Solar Limited	-	-	108,436	796
Misae Power Limited	39,754	869	411,320	21,125
Mitzi Solar Limited	323,226	3,226	-	-
Nabarun Limited	2,802,845	42,845	-	-
Napkiraly Limited	40,667	2,121	390,383	6,897
Oda Solar Limited	1,112,159	12,159	-	-
Paivatar Power Limited	178,140	4,491	610,720	5,750
Palk Power Limited / Hella Solar Limited	-	-	113,396	833
Personnel Advisory Services Limited	1,915,708	156,894	2,402,595	71,269
Philolaus Limited	46,183	413	-	-
Procne Energy Limited	9,508	36	-	-
Rashmika Limited	2,673,027	13,027	-	-
Resilient Corporate Services Limited	-	-	676,104	13,820
Ruva Energy Limited	12,765,504	360,504	-	-
Saas Business Services Limited	80,268	2,472	440,994	5,262
Season Ticket Credit Limited (I)	-	-	145,727	4,021

Fern Trading Limited

Notes to the financial statements for the year ended 30 June 2014 (continued)

21 Related party transactions (continued)

	Amounts included in trade debtors in the year ended 30 June 2014	Interest receivable in the year ended 30 June 2014	Amounts included in trade debtors in the year ended 30 June 2013	Interest receivable in the year ended 30 June 2013
Season Ticket Credit Limited (II)	-	-	264,544	22,186
Semine Limited	7,084	27	-	-
Sommer Solar Limited	6,446,377	135,377	-	-
Sonste Limited	4,979,634	72,312	5,097,926	87,926
Sourendra Limited	5,112	20	-	-
Sunstone	-	-	1,001,246	454,528
Suvana Limited	1,183,512	13,512	-	-
Tapan Limited	5,107	20	-	-
Teruko Power Limited	4,578,285	168,011	3,994,974	61,494
Tonituah Trading 1 Limited / Klara Solar Limited	-	-	204,255	1,514
Tonatiuh Trading 2 Limited	644,593	14,905	4,129,175	80,915
Tuwale Power Limited	-	-	55	1
Udaya Limited	4,605	18	-	-
Yarhibol Limited	8,792	34	-	-
Yata Power Limited	3,969,548	69,605	-	-
Zuvan Power Limited	36,189	1,100	517,522	33,512

Fern entered into the following transactions in the year with companies that have key management personnel in common.

Fern had a facility in place with Octopus Capital Healthcare Bidco Limited of £23m, this was put in place on 27 June 2014 however no drawings were made and the facility has closed post year end.

Fern was recharged administration expenses totalling £27,628,697 (2013 £20,603,012) by Octopus Investments Limited. Additionally, Fern recharged costs of £621,493 (2013 £60,000) to Octopus Investments Limited during the year. At June 2014, an amount of £1,443,632 (2013 £1,885,038) was included in creditors and accruals (see note 13).

Fern was recharged administration expenses totalling £593,690 (2013 £381,827) by Rednel Limited.

Fern is entitled to a profit share as a result of its investment in Terido LLP. In 2014 a share of profit equal to £11,727,143 has been recognised by Fern, and is included in trade debtors (see note 11).

22 Ultimate parent company and controlling party

There is no ultimate controlling party.