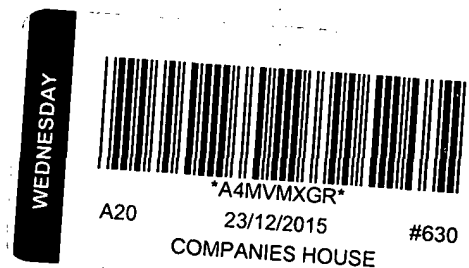


Company Registration No. 06606972

Cale Power Limited

Annual report and financial statements

For the year ended 31 March 2015



Cale Power Limited

Annual report and financial statements for the year ended 31 March 2015

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Cale Power Limited

Officers and professional advisers

Directors

A Fraser
M Tucker

Secretary

K Paget

Registered Office

First Floor
18 Park Place
Cardiff
United Kingdom
CF10 3DQ

Bankers

National Westminster Bank Plc

Solicitors

Wragge Lawrence Graham & Co LLP
Two Snowhill
Birmingham
United Kingdom
B4 6WR

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Cardiff
United Kingdom

Cale Power Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2015.

This directors' report has been prepared in accordance with the provisions applicable to small companies entitled to the small companies' exemption. The directors have also taken the small companies' exemption from presenting a strategic report.

Principal activity

The company's principal activity was the development of a 50MW Open Cycle Gas Turbine ("OCGT") power station in Somerset. However, during the prior year the directors concluded that it was unlikely a power station would be constructed and following an impairment review of the fixed asset, being the land in Somerset, the carrying value of the land was reduced to £150,000 at that date. Subsequent to the year end, on 24 April 2015 the land was disposed of for a total cash consideration of £150,000 which is equal to the carrying value of the land at 31 March 2015.

Dividends

No dividend has been paid or is proposed for the year to 31 March 2015 (2014: £nil).

Going concern

Following the sale of the land described above, the company has ceased trading and is expected to be non-trading for the foreseeable future. Accordingly, the financial statements are prepared on a basis other than that of a going concern. No adjustments arose as a result of ceasing to apply the going concern basis.

Directors

The current directors, who served throughout the financial year, are listed on page 1.

Auditor

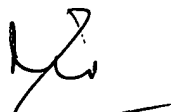
In the case of each of the persons who are directors of the company at the date when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on its behalf by:


M Tucker
Director

10 December 2015

Cale Power Limited

Directors' responsibilities statement

The directors are responsible for preparing 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 elected to prepare the 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 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF CALE POWER LIMITED

We have audited the financial statements of Cale Power Limited for the year ended 31 March 2015 which comprise the Profit and loss account, the Balance sheet, the Reconciliation of movement in shareholder's deficit and the related notes 1 to 12. 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).

This report is made solely to the company's member 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 member those matters we are required to state to it 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 member, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, 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 International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 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 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its loss 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.

Emphasis of matter - financial statements prepared on a basis other than as a going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

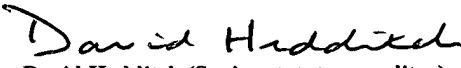
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 take advantage of the small companies' exemption from preparing a Strategic Report or in preparing the Directors' Report.


David Hedditch (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Cardiff, United Kingdom

21/12/ 2015

Cale Power Limited

Profit and loss account

For the year ended 31 March 2015

	Note	2015 £	2014 £
Administrative expenses		(2,225)	-
Exceptional items	4	-	(684,889)
Operating loss	3	<u>(2,225)</u>	<u>(684,889)</u>
Result on ordinary activities before taxation	3	(2,225)	(684,889)
Tax on profit on ordinary activities	5	-	-
Loss for the financial year	9	<u>(2,225)</u>	<u>(684,889)</u>

All activities derive from discontinued operations. There were no gains or losses other than as reported in the profit and loss account for the financial year. Accordingly, no separate statement of total recognised gains and losses is presented.

Cale Power Limited

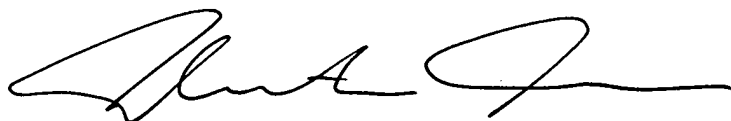
Balance sheet

As at 31 March 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	6	150,000	150,000
Creditors: amounts falling due within one year	7	(837,113)	(834,888)
Net current liabilities		<u>(837,113)</u>	<u>(834,888)</u>
Net liabilities		<u>(687,113)</u>	<u>(684,888)</u>
Capital and reserves			
Called up share capital	8	1	1
Profit and loss account	9	(687,114)	(684,889)
Shareholder's deficit		<u>(687,113)</u>	<u>(684,888)</u>

The financial statements of Cale Power Limited, registered number 06606972, were approved by the Board of Directors and authorised for issue on 10 December 2015.

Signed on behalf of the Board of Directors



A Fraser
Director

Cale Power Limited

Reconciliation of movement in shareholder's deficit For the year ended 31 March 2015

	2015 £	2014 £
Loss for the financial year	(2,225)	(684,889)
Net increase in shareholder's deficit	(2,225)	(684,889)
Opening shareholder's (deficit)/funds	(684,888)	1
Closing shareholder's deficit	<u>(687,113)</u>	<u>(684,888)</u>

Cale Power Limited

Notes to the financial statements For the year ended 31 March 2015

1 Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the current and the prior financial year, are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Going concern

Following the sale of the land as described in note 11, the company has ceased trading and is expected to remain dormant for the foreseeable future. Accordingly, the financial statements are prepared on a basis other than that of a going concern.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Assets in the course of construction

Assets in the course of construction represent the cost of purchasing, constructing and installing the tangible fixed asset ahead of its productive use. Costs directly attributable to bringing the asset into working condition, including interest on borrowings specifically relating to the asset, are capitalised during construction. No depreciation is charged until the asset becomes operational.

Cash flow statement

The company is a wholly-owned subsidiary of Carron Energy Limited, a company incorporated in the United Kingdom. The cash flows of the company are included in the consolidated cash flows of Carron Energy Limited. Consequently, the company is exempt under Financial Reporting Standard 1 from preparing a cash flow statement.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid, or recovered, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Capitalisation of finance costs

As permitted by FRS 15 'Tangible fixed assets' the company has adopted a policy of capitalising finance costs, including interest charged on inter-company loans, during the period of construction of the asset. Capitalisation of finance costs will cease once the asset is brought into use.

2 Information regarding directors and employees

The company had no employees during the financial year or the prior year, except for the directors.

The directors are also directors of Welsh Power Group Limited and their remuneration is dealt with in the financial statements of that company. It is not practicable to allocate their remuneration between their services as directors of different group companies.

3 Loss on ordinary activities before taxation

Auditor's remuneration of £2,000 (2014: £2,000) was borne by a fellow group company and not recharged.

Cale Power Limited

Notes to the financial statements (continued) For the year ended 31 March 2015

4 Exceptional items

	2015 £	2014 £
Exceptional items debited to the profit and loss account include:		
Impairment of fixed assets	-	684,889

In the prior year, following an impairment review of the fixed asset, being the land owned in Somerset, the carrying value of the land was reduced to £150,000 at that date resulting in an impairment charge of £684,889.

5 Tax on loss on ordinary activities

	2015 £	2014 £
Current taxation		
United Kingdom corporation tax at 20% (2014: 20%)	-	-

The difference between the current taxation shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows:

	£	£
Loss on ordinary activities before tax	(2,225)	(684,889)
Tax on loss on ordinary activities before tax at 20% (2014: 20%)	(445)	(136,978)
Factors affecting the tax for the period		
Creation of losses	445	136,978
Current tax charge for the period	-	-

6 Tangible fixed assets

	Assets under construction £
Cost	
At 1 April 2014 and at 31 March 2015	834,889
Accumulated depreciation	
At 1 April 2014 and at 31 March 2015	684,889
Net book value	
At 31 March 2014 and at 31 March 2015	150,000

7 Creditors: amounts falling due within one year

	2015 £	2014 £
Amounts owed to group undertaking	837,113	834,888

Cale Power Limited

Notes to the financial statements (continued) For the year ended 31 March 2015

8 Called up share capital

	2015 £	2014 £
Called up, allotted and fully paid		
1 ordinary share of £1	<u>1</u>	<u>1</u>

9 Statement of movement on reserves

	Profit and loss account £
At 1 April 2014	(684,889)
Loss for the financial year	<u>(2,225)</u>
At 31 March 2015	<u><u>(687,114)</u></u>

10 Related party transactions

The company has taken advantage of the exemption contained in FRS8 (Related Party Transactions) not to disclose transactions with entities 100% owned within the Welsh Power Group Limited group.

11 Subsequent events

On 24 April 2015 the company sold the land at Somerset for a total consideration of £150,000 which is equal to the carrying value of the land at the balance sheet date.

12 Ultimate holding company

The immediate parent company is Drago Generation Limited, a company incorporated in the United Kingdom, and the ultimate parent company is Carron Energy Limited, also incorporated in the United Kingdom. Alex Lambie was considered by the directors to be the ultimate controlling party up until 12 November 2015. As of 12 November 2015, Alastair Fraser, a director of the company and members of his close family, control the company. The smallest and largest group for which audited financial statements are prepared, including the results of this company, is headed by Carron Energy Limited, a company incorporated in Great Britain. Copies of the group financial statements of Carron Energy Limited are available from Carron Energy Limited, First Floor, 18 Park Place, Cardiff, CF10 3DQ.