

NANT BACH WIND FARM LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021



NANT BACH WIND FARM LIMITED

COMPANY INFORMATION

Directors	Alper Elmas Sandra Grauers Nilsson
Company secretary	Jonas Van Mansfeld
Registered number	06834016
Registered office	5th Floor 70 St Mary Axe London United Kingdom EC3A 8BE
Independent auditors	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
Bankers	Nordea Bank Finland plc 8th Floor City Place House 55 Basinghall Street London EC2V 5NB

NANT BACH WIND FARM LIMITED

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NANT BACH WIND FARM LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the audited financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

Going concern

For the purposes of assessing whether 'going concern' is an appropriate basis for preparing the financial statements, the directors have reviewed projections for the period to 31 December 2023 using assumptions which the directors consider to be appropriate to the current financial position of the Company with regards to revenue, cost of sales, borrowing and debt repayment plans.

Given the Company is not operating, it relies on the support provided from its parent company, Vattenfall AB. As the Company's cash is subject to a cash pooling arrangement administered by Vattenfall AB, the directors have obtained written confirmation from Vattenfall AB that the Company's cash will be at all times available under the cash pooling arrangement to enable the Company to meet its liabilities as they fall due.

Based on these scenarios, the written confirmation obtained from Vattenfall AB and the resources available to the Company, the directors believe the Company has sufficient liquidity to manage through a range of different scenarios until at least 31 December 2023. Given the Group's strong liquidity position, the directors adopt the going concern basis in preparing the financial statements.

NANT BACH WIND FARM LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Directors

The directors who served during the year were:

Alper Elmas
Sandra Grauers Nilsson

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Independent auditors

The independent auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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 and signed on its behalf.

DocuSigned by:

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Alper Elmas
Director

Date: 2 November 2022

Independent auditors' report to the members of Nant Bach Wind Farm Limited

Report on the audit of the financial statements

Opinion

In our opinion, Nant Bach Wind Farm Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 December 2021; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory framework for the electricity market in the UK as set out by the Office of Gas and Electricity Markets (OFGEM), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and UK tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- gaining an understanding of the legal and regulatory framework applicable to the company;
- enquiry of management, those charged with governance and those responsible for legal and compliance matters, including the company's in-house legal function, to identify actual and potential litigation and claims and any known or suspected instances of non-compliance with laws and regulations and fraud;
- enquiry of staff in the company's tax function to identify any instances of non-compliance with laws and regulations;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- reviewing minutes of meetings of those charged with governance;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and testing accounting estimates to address the risk of management bias.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

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.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

A handwritten signature in black ink that reads "Kevin McGhee". The signature is written in a cursive, slightly informal style.

Kevin McGhee (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
3 November 2022

NANT BACH WIND FARM LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Administrative expenses		(25,948)	(11,770)
Operating loss		(25,948)	(11,770)
Interest receivable and similar income		2	-
Interest payable and similar expenses		(91)	(29)
Loss before tax		(26,037)	(11,799)
Tax on loss	6	-	-
Loss for the financial year		(26,037)	(11,799)
Total comprehensive expense for the year		(26,037)	(11,799)

The notes on pages 10 to 17 form part of these financial statements.

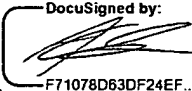
NANT BACH WIND FARM LIMITED
REGISTERED NUMBER:06834016

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Current assets			
Debtors: amounts falling due within one year	7	3,405	771
Cash and cash equivalents	8	58,637	-
		<u>62,042</u>	<u>771</u>
Creditors: amounts falling due within one year	9	(8,338)	(21,030)
Net current assets/(liabilities)		<u>53,704</u>	<u>(20,259)</u>
Total assets less current liabilities		<u>53,704</u>	<u>(20,259)</u>
Net assets/(liabilities)		<u>53,704</u>	<u>(20,259)</u>
Capital and reserves			
Called up share capital	10	3,579,555	3,479,555
Accumulated losses		(3,525,851)	(3,499,814)
Total equity		<u>53,704</u>	<u>(20,259)</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 7 to 17 were approved by the board of directors on 2 November 2022 and signed on its behalf by:

DocuSigned by:

 F71078D83DF24EF...
Aiper Eimas
 Director

Date: 2 November 2022

The notes on pages 10 to 17 form part of these financial statements.

NANT BACH WIND FARM LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Accumulated losses	Total equity
	£	£	£
At 1 January 2020	3,479,555	(3,488,015)	(8,460)
Comprehensive expense for the year			
Expense for the year	-	(11,799)	(11,799)
Total comprehensive expense for the year	-	(11,799)	(11,799)
At 31 December 2020 and 1 January 2021	3,479,555	(3,499,814)	(20,259)
Comprehensive expense for the year			
Expense for the year	-	(26,037)	(26,037)
Total comprehensive expense for the year	-	(26,037)	(26,037)
Transactions with owners in their capacity as owners			
Shares issued during the year	100,000	-	100,000
Total transactions with owners	100,000	-	100,000
At 31 December 2021	3,579,555	(3,525,851)	53,704

The notes on pages 10 to 17 form part of these financial statements.

NANT BACH WIND FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Authorisation of financial statements

The financial statements of Nant Bach Wind Farm Limited (the "Company") for the year ended 31 December 2021 were approved by the board and authorised for issue on 2 November 2022 and the Balance Sheet was signed on by the board's behalf by Alper Elmas. Nant Bach Wind Farm Limited is incorporated and domiciled in England and Wales, United Kingdom.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The financial statements are prepared using the functional and presentational currency, GBP.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

Equivalent disclosures are included in the consolidated financial statements of Vattenfall AB for the year ended 31 December 2021 and these financial statements may be obtained from the Vattenfall website, <http://corporate.vattenfall.com>.

NANT BACH WIND FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Change in accounting policy and disclosures

Unless otherwise stated, the accounting policies and method of computation adopted in the preparation of the financial statements are consistent with those of the previous year.

The following new and amended IFRS and IFRIC interpretations are mandatory as of 1 January 2021 unless otherwise stated and the impact of adoption is described below. There are no other changes to IFRS effective in 2021 which could have a material impact on the Company.

Amendments to IFRS 9 Interest Rate Benchmark Reform

The amendments provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. These amendments have no impact on the financial statements of the Company as it does not have any interest rate hedge relationships.

2.4 Going concern

For the purposes of assessing whether 'going concern' is an appropriate basis for preparing the financial statements, the directors have reviewed projections for the period to 31 December 2023 using assumptions which the directors consider to be appropriate to the current financial position of the Company with regards to revenue, cost of sales, borrowing and debt repayment plans.

Given the Company is not operating, it relies on the support provided from its parent company, Vattenfall AB. As the Company's cash is subject to a cash pooling arrangement administered by Vattenfall AB, the directors have obtained written confirmation from Vattenfall AB that the Company's cash will be at all times available under the cash pooling arrangement to enable the Company to meet its liabilities as they fall due.

Based on these scenarios, the written confirmation obtained from Vattenfall AB and the resources available to the Company, the directors believe the Company has sufficient liquidity to manage through a range of different scenarios until at least 31 December 2023. Given the Group's strong liquidity position, the directors adopt the going concern basis in preparing the financial statements.

2.5 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Cash equivalents includes amounts held on deposit with Vattenfall AB under the cash pooling arrangement.

NANT BACH WIND FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit and loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'interest receivable and similar income' for gains or 'interest payable and similar expenses' for losses.

2.7 Interest expenses

Interest expenses are charged to profit and loss 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.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

NANT BACH WIND FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.9 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The Company classifies all of its financial assets as assets at amortised cost.

Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less any provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms of the receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, the Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables. When assessing the impairment of trade and other receivables, management considers factors including the credit rating of the counterparty, the ageing profile of receivables and historical experience. Trade receivables are reported net and such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Statement of Comprehensive Income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost.

At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the Balance Sheet.

NANT BACH WIND FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.10 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company operates and generates income.

Deferred balances are recognised in respect of all temporary differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance Sheet date as well as revenues and expenses reported during the year.

Management have not made any significant judgements in applying the Company's accounting policies within the financial statements for the current year.

There are no estimates which are dependent upon assumptions which could change in the next financial year and have a material effect on the carrying amounts of assets and liabilities recognised at the Balance Sheet date.

4. Auditors' remuneration

The Company paid the following amounts to its auditors in respect of the audit of the financial statements. No other services are provided to the Company.

	2021 £	2020 £
Fees for audit services	<u>17,000</u>	<u>3,611</u>

NANT BACH WIND FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

5. Employees

Number of employees

The average monthly number of directors during the year was 2 (2020: 2). The Company has no employees. The Company's payroll costs are incurred by other entities within the Group.

Directors' remuneration

The directors of the Company are also employees and/or directors of the Company's shareholders and fellow subsidiaries. The directors' remuneration for the year, apportioned to the Company based on the estimated individual director representation for the Company, amounts to £9,431 (2020: £7,971).

6. Tax on loss

	2021 £	2020 £
	<u> </u>	<u> </u>
Total current tax	-	-
	<u> </u>	<u> </u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
	<u> </u>	<u> </u>
Loss before tax	(26,037)	(11,799)
	<u> </u>	<u> </u>
Loss before tax multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(4,947)	(2,242)
Effects of:		
Deferred tax not recognised	4,934	2,236
Group relief surrendered for nil payment	13	6
	<u> </u>	<u> </u>
Tax on loss	-	-
	<u> </u>	<u> </u>

NANT BACH WIND FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

6. Tax on loss (continued)

Factors that may affect future tax charges

An intention to increase the UK corporation tax rate to 25% on profits over £250 thousand from 1 April 2023 was announced in the UK budget in March 2021. These changes were substantively enacted in May 2021.

The Company has not recognised the deferred tax asset in 2021. The unrecognised deferred tax asset is approximately £715,000 (2020: £486,000). As the Company has not recognised a deferred tax balance, the changes have no impact upon these financial statements.

7. Debtors: amounts falling due within one year

	2021 £	2020 £
Other debtors	3,405	771
	<u>3,405</u>	<u>771</u>

Other debtors comprises VAT receivable.

8. Cash and cash equivalents

	2021 £	2020 £
Cash and cash equivalents	58,637	-
	<u>58,637</u>	<u>-</u>

The Company's cash is subject to a cash pooling arrangement administered by the ultimate parent company, Vattenfall AB.

9. Creditors: amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	-	9,931
Trade creditors	-	288
Amounts owed to group undertakings	4,638	4,333
Accruals and deferred income	3,700	6,478
	<u>8,338</u>	<u>21,030</u>

Amounts owed to group undertakings are payable on demand.

NANT BACH WIND FARM LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

10. Called up share capital

	2021 £	2020 £
Authorised, allotted, called up and fully paid		
3,579,555 (2020 - 3,479,555) Ordinary shares of £1.00 each	3,579,555	3,479,555

On 30 November 2021 the Company issued 100,000 Ordinary shares of £1 each at par value.

11. Post Balance Sheet events

Markets are disturbed by unrest in eastern Europe. In times of uncertainty conscious steer is given by the management to maintain sufficient funds to operate the Company. At present, the directors believe that the Company is well placed to continue without significant adverse operational or financial impact.

Across the world, multiple jurisdictions have imposed economic sanctions on Russia, Belarus and some individuals and entities deemed to be closely linked to government officials in both countries. In addition to this, companies trading with, or associated with, Russia and Belarus have engaged in boycotts and trade embargoes. The directors have considered the possible effects these could have on the Company and have determined that there is no impact to the Company.

There were no significant events after 31 December 2021 that required adjustment to or disclosure in the financial statements.

12. Ultimate parent undertaking and controlling party

At 31 December 2021 the immediate parent undertaking is Vattenfall Wind Power Ltd, a company registered in the United Kingdom. The directors regard Vattenfall AB, a company registered in S-162 87 Stockholm, Sweden as the Company's controlling party and ultimate parent undertaking.

The results of the Company are included in the consolidated financial statements of Vattenfall AB, the only group which consolidates the Company. The consolidated financial statements are available from the Vattenfall website, <http://corporate.vattenfall.com>.