

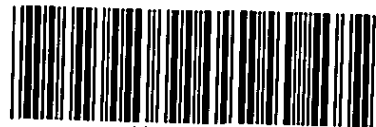
Blackstone Edge Wind Farm Limited

Directors' report and financial statements

Registered number 07474312

Year ended 31 March 2012

THURSDAY



A1FXDZ5T

A10

23/08/2012

#9

COMPANIES HOUSE

Contents

Directors' report	1
Statement of Directors' responsibilities in respect of the Directors' report and financial statements	3
Independent auditor's report to the members of Blackstone Edge Wind Farm Limited	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7

Directors' report

The directors (the "Directors") present the Directors' report and audited financial statements for Blackstone Edge Wind Farm Limited (the "Company") for the year ended 31 March 2012

Principal activities

The principal activity of the Company is the development of the 3 turbine 3MW Blackstone Edge wind farm in South Yorkshire. Construction of the wind farm commenced during 2012 after the year end

Future developments

The Company is expected to commence trading during 2013

Financial risk management

The group of companies of which the Company forms part has in place a risk management programme that seeks to limit adverse effects on the financial performance of the Company by monitoring levels of debt finance and the related finance costs. The Company is not currently exposed to significant market, credit or liquidity risks

Results and dividend

The loss for the financial year of £258,000 (3 month and 12 day period ended 31 March 2011: £45,000 loss) will be taken to reserves. The Directors do not recommend the payment of a dividend (3 month and 12 day period ended 2011: £nil)

Charitable and political donations

The Company made no political donations or incurred any political expenditure during the financial year (3 month and 12 day period ended 31 March 2011: £nil). There were no charitable donations made during the year (3 month and 12 day period ended 31 March 2011: £nil)

Directors

The Directors of the Company during the year and up to the date of signing the accounts were as follows

G A Boyd	(appointed 12 March 2012)
S N Hardman	
E P M Machiels	
E J Aikman	(resigned 12 March 2012)

Directors indemnity and insurance

An associated company has granted an indemnity to certain current Directors under which the associated company will indemnify them, subject to the terms of the deed of indemnity, against any liability or losses or expenses incurred by them in the performance of their duties. These are qualifying third party indemnity provisions for the purposes of the Companies Act 2006

The Company has also arranged directors' and officers' liability insurance

Statement of disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware and each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information

Directors' report *(continued)*

Auditor

In accordance with section 487 of the Companies Act 2006 KPMG LLP (a) was deemed to be reappointed as auditor of the Company for the financial year ended 31 March 2012 at the end of the last period for appointing auditors and (b) is expected to be deemed to be reappointed as auditor of the Company for the financial year ended 31 March 2013 at the end of the next period for appointing auditors

On behalf of the board



G A Boyd
Director

First floor, 500 Pavilion Drive, Northampton Business Park,
Northampton, NN4 7YJ

Statement of Directors' responsibilities in respect of the Directors' report and financial statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 year. In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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, 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Blackstone Edge Wind Farm Limited

We have audited the financial statements of Blackstone Edge Wind Farm Limited for the year ended 31 March 2012 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, 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 set out on page 3, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm

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 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters 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



17 August 2012

Ian Griffiths

(Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

United Kingdom

Profit and loss account

for the year ended 31 March 2012

		Year ended 31 March 2012 £'000	3 month and 12 day period ended 31 March 2011 £'000
Operating expenses	Note	(111)	(20)
Operating loss	3	(111)	(20)
Interest payable and similar charges	5	(239)	(41)
Loss on ordinary activities before taxation		(350)	(61)
Taxation credit on loss on ordinary activities	6	92	16
Loss for the financial year/period	13	(258)	(45)

The Company has no recognised gains and losses other than as shown above and therefore no separate statement of total recognised gains and losses has been presented

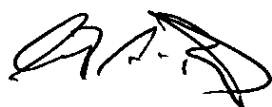
In the current year and prior period the results relate to continuing activities

Balance sheet

at 31 March 2012

	Note	2012 £'000	2011 £'000
Fixed assets			
Tangible assets	7	1,845	175
Intangible assets	8	1,975	2,080
		<u>3,820</u>	<u>2,255</u>
Current assets			
Cash at bank		495	-
Debtors	9	328	455
Deferred tax asset	10	-	16
		<u>823</u>	<u>471</u>
Creditors: amounts falling due within one year	11	<u>(4,946)</u>	<u>(2,771)</u>
Net current liabilities		<u>(4,123)</u>	<u>(2,300)</u>
Total assets less current liabilities		<u>(303)</u>	<u>(45)</u>
Net liabilities		<u>(303)</u>	<u>(45)</u>
Capital and reserves			
Share capital	12	-	-
Profit and loss account	13	<u>(303)</u>	<u>(45)</u>
Equity shareholder's deficit	14	<u>(303)</u>	<u>(45)</u>

The financial statements were approved by the board of Directors on 23 July 2012 and were signed on its behalf by



G A Boyd
Director

Company registration no. 07474312

Notes (forming part of the financial statements)

1 Accounting policies

Basis of preparation

The financial statements have been 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. A summary of the more important accounting policies, which have been applied consistently throughout the year is set out below.

Cash flow statement

The Company is a wholly-owned subsidiary of the group headed by Infinis Holdings (the 'Infinis Holdings Group') and is included in the consolidated financial statements of Infinis Holdings. Consequently, in accordance with paragraph 5 (a) of FRS 1 (revised 1996) the Company is not required to publish a cash flow statement.

Related party exemption

As the Company is a wholly-owned subsidiary of the Infinis Holdings Group, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the Infinis Holdings Group. The consolidated financial statements of Infinis Holdings can be obtained from the address given in note 17.

Going concern

The financial statements have been prepared on the going concern basis, notwithstanding net current liabilities of £4,123,000 (2011: £2,300,000), which the Directors believe to be appropriate for the following reasons. The Company is dependent for its working capital on funds provided to it by other companies in the Infinis Holdings Group, Infinis Holdings being the Company's ultimate parent company. Infinis Holdings has indicated that for at least 12 months from the date of approval of these financial statements it will continue to ensure that such funds are made available by the Infinis Holdings Group as are needed by the Company. The Directors consider that this should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this undertaking the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

Tangible fixed assets

Assets under construction are not depreciated until they are commissioned. All other assets are depreciated so as to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives.

Impairment

The value of fixed assets is reviewed for impairment where there is an indication that an impairment has occurred. An impairment is recorded where the carrying value exceeds the value in use of the underlying assets.

Taxation

The credit for taxation is based on the loss for the year and takes into account deferred taxation because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax 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. 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.

Intangible fixed assets

Intangible assets are stated at cost less accumulated amortisation and impairment.

Amortisation

Amortisation is provided on a straight line basis to allocate the cost of the asset over its useful life. The Directors expect the maximum useful life to be 20 years.

Notes (continued)

2 Auditor's remuneration

	Year ended 31 March 2012 £'000	3 month and 12 day period ended 31 March 2011 £'000
Auditor's remuneration	6	6

Audit fees are borne by another group company

3 Operating loss

	Year ended 31 March 2012 £'000	3 month and 12 day period ended 31 March 2011 £'000
Operating loss is stated after charging		
Amortisation	105	20

4 Directors' emoluments and employees

None of the Directors received any remuneration or benefits from the Company during the year ended 31 March 2012 (3 month and 12 day period ended 31 March 2011 £nil) nor are they employees of the Company. The Company had no employees during the year (3 month and 12 day period ended 31 March 2011 none)

5 Interest payable and similar charges

	Year ended 31 March 2012 £'000	3 month and 12 day period ended 31 March 2011 £'000
Interest payable to group companies	(239)	(41)

Notes (continued)

6 Taxation

	Year ended 31 March 2012 £'000	3 month and 12 day period ended 31 March 2011 £'000
United Kingdom corporation taxation at 26% (2011 28%)		
Current tax credit on loss for the year	(91)	-
Adjustment in respect of prior period	(17)	-
Total current tax credit	(108)	-
Analysis of deferred tax charge/(credit)		
Origination/reversal of timing differences	-	(17)
Adjustment in respect of prior period	16	-
Adjustment in respect of rate change	-	1
Total deferred taxation charge/(credit)	16	(16)
Total taxation credit	(92)	(16)

The tax assessed for the year is different from the standard rate of corporation tax in the UK 26% (2011 28%)

The difference is explained below

	Year ended 31 March 2012 £'000	3 month and 12 day period ended 31 March 2011 £'000
Loss on ordinary activities before taxation	(350)	(61)
Loss on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 26% (2011 28%)	(91)	(17)
Effects of		
Adjustment in respect of prior period	(17)	-
Losses arising in year recognised as a deferred tax asset	-	17
Current tax credit	(108)	-

The 2011 Budget on 23 March 2011 announced a reduction in the main rate of Corporation Tax of 28% over a period of 4 years from 1 April 2011. The rate was expected to reduce from 28% to 23% over this period. The first reduction from 28% to 26% was substantively enacted on 29 March 2011 and was reflected in the deferred tax figures used in the company's 2011 financial statements.

The 2012 Budget on 21 March 2012 announced a further reduction in the main rate of Corporation Tax to 22% over a period of 3 years from 1 April 2012. The reduction in the main rate to 24% (effective from 1 April 2012) was substantively enacted on 26 March 2012. This rate change has therefore been reflected in the deferred tax figures of these financial statements.

These changes to the Corporation Tax rates should reduce the Company's future tax charge.

Notes (continued)

7 Tangible assets

	Assets under construction £'000
Cost	
At 1 April 2011	175
Additions	1,670
At 31 March 2012	1,845
Accumulated depreciation at 1 April 2011 and 31 March 2012	-
Net book value at 31 March 2012	1,845
Net book value at 31 March 2011	175

8 Intangible assets

	Wind usage rights £'000
Cost	
At 1 April 2011 and 31 March 2012	2,100
Amortisation	
At 1 April 2011	20
Charge for the year	105
At 31 March 2012	125
Net book value at 31 March 2012	1,975
Net book value at 31 March 2011	2,080

Notes (continued)

9 Debtors

	2012 £'000	2011 £'000
Corporation tax debtor	108	-
Other debtors	220	455
	<u>328</u>	<u>455</u>

The corporation tax debtor relates to group relief receivable

10 Deferred tax asset

	2012 £'000	2011 £'000
Losses arising in the year/period	-	16

11 Creditors - amounts falling due within one year

	2012 £'000	2011 £'000
Accruals and deferred income	63	-
Amounts owed to group undertakings	4,883	2,771
	<u>4,946</u>	<u>2,771</u>

12 Called up share capital

	2012 Number	2011 Number	2012 £'000	2011 £'000
Allotted, uncalled and unpaid Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>

13 Reserves

	Profit and loss account £'000
At 31 March 2011	(45)
Loss for the financial year	(258)
At 31 March 2012	<u>(303)</u>

Notes (continued)

14 Reconciliation of movements in equity shareholder's deficit

	2012	2011
	£'000	£'000
Loss for the financial year/period	(258)	(45)
Opening equity shareholder's deficit	(45)	-
Closing equity shareholder's deficit	(303)	(45)

15 Capital commitments

During the year the Company entered into various contracts relating to the development of generation of electricity from onshore wind. The commitment outstanding at 31 March 2012 was £4,822,666 (2011: £nil).

16 Related parties

Terra Firma Investments (GP) 2 Limited, acting as a general partner of the six limited partnerships which constitute the Terra Firma Capital Partners II Fund, Terra Firma Capital Partners II L.P. – H and TFCP II Co-Investment I L.P. ("Terra Firma"), has the ability to exercise a controlling influence through the holding of shares in a parent company. The Directors therefore consider Terra Firma to be a related party.

Infinis Holdings has the ability to exercise a controlling influence over the Company and other subsidiary undertakings. Consequently the Directors also consider these subsidiary undertakings to be related parties.

17 Ultimate and immediate parent undertaking

The Directors regard Terra Firma Holdings Limited, a company registered in Guernsey, as the ultimate parent entity. The ultimate controlling party is Guy Hands.

There were no transactions between the Company and Terra Firma Holdings Limited during the year.

Maestro (Holdings 2) Limited (which since the year end has changed its name from Blackstone Edge Wind Farm (Holdings) Limited) is the immediate parent company and it does not produce consolidated accounts.

The head of the largest and smallest group for which consolidated financial statements are prepared and of which the Company is a member is Infinis Holdings. The consolidated financial statements of this group are available to the public and may be obtained from the Company Secretary, First Floor, 500 Pavilion Drive, Northampton Business Park, Northampton, NN4 7YJ.