REGISTERED NUMBER: 07866333 (England and Wales)

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY 2020 TO 31 MARCH 2021

FOR

TODMORDEN MOOR WIND FARM LTD

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2020 TO 31 MARCH 2021

COMPANY INFORMATION
FOR THE PERIOD 1 JANUARY 2020 TO 31 MARCH 2021

Directors:	G E Shaw Pinecroft Corporate Services Limited
Registered office:	Foresight Group LLP The Shard 32 London Bridge Street London SE1 9SG
Registered number:	07866333 (England and Wales)
Auditors:	BDO LLP Birmingham

REPORT OF THE DIRECTORS
FOR THE PERIOD 1 JANUARY 2020 TO 31 MARCH 2021

The directors present their report with the financial statements of the company for the period 1 January 2020 to 31 March 2021.

Principal activity
The principal activity of the company during the period was the generation of electricity using wind technology.

Directors
The directors who have held office during the period from 1 January 2020 to the date of this report are as follows:

G E Shaw - appointed 7 January 2020
Ms H M Downie - resigned 7 January 2020
Pinecroft Corporate Services Limited - appointed 7 January 2020

Small company exemption
In preparing this report, the Directors have taken advantage of the small companies' exemptions provided by section 414B of the Companies Act 2006 not to provide a Strategic Report.

Statement of directors' responsibilities
The directors are responsible for preparing the Report of the Directors 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 International Accounting Standards in conformity with the requirements of the Companies Act 2006 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; and
- 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.

Going concern
The Directors have a reasonable expectation that the company has adequate resources to be in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the annual report and accounts. The directors do not expect COVID-19 to have any material impact on the going concern of the company. Further details are provided in note 2.

Statement as to disclosure of information to auditors
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

REPORT OF THE DIRECTORS continued
FOR THE PERIOD 1 JANUARY 2020 TO 31 MARCH 2021

Auditors
The auditors, BDO LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board:

....
G E Shaw - Director

Date: 23 December 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TODMORDEN MOOR WIND FARM LTD

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of Company's affairs as at 31 March 2021 and of the its loss for the period then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Todmorden Moor Wind Farm Limited ('the Company') for the period ended 31 March 2021 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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.

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.

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Other Companies Act 2006 reporting

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

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

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

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

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company 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' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

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

In preparing the financial statements, the Directors are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Company financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

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.

Extent to which the audit was capable of detecting irregularities, including fraud- continued

To identify and assess the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Enquiring of management and the Board, including obtaining and reviewing supporting documentation, concerning the Company's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they had knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

We corroborated our enquiries through our review of board minutes.

- Obtaining an understanding of the legal and regulatory frameworks applicable to the Company based on our understanding of the Company and sector experience and discussions with management. We considered the most significant laws and regulations for the Company to be the applicable accounting framework, Companies Act 2006, corporate taxes and VAT legislation.
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud and non-compliance with laws and regulation.

Based on our understanding of the environment and assessment of the incentive and opportunity for fraud or material misstatement arising in respect of non-compliance with laws and regulations, we communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit and carried out the following procedures:

- We reviewed correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations.
- We tested the appropriateness of accounting journals selected based on risk criteria and other adjustments made in the preparation of the financial statements. We used data assurance techniques to identify and analyse the complete population of all journals in the period to identify and test any which we considered were indicative of management override.
- We reviewed the Company's accounting policies for non-compliance with relevant standards. Our work also included considering significant accounting estimates for evidence of misstatement or possible bias and testing any significant transactions that appeared to be outside the normal course of business.
- We also tested manual journals posted to revenue, agreeing them to supporting documentation to check that they were appropriate, correctly recorded and supported by appropriate evidence.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, 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's members as a body, for our audit work, for this report, or for the opinions we have formed.

Gareth Singleton (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Birmingham, UK
Date: 23 December 2021

DocuSigned by:
Gareth Singleton
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BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

INCOME STATEMENT
FOR THE PERIOD 1 JANUARY 2020 TO 31 MARCH 2021

	Notes	Period 1.1.20 to 31.3.21 £	Year Ended 31.12.19 as restated £
Continuing operations			
Revenue	3	4,663,691	3,658,328
Cost of sales		(4,313,059)	(2,461,248)
Gross profit		350,632	1,197,080
Administrative expenses		(63,741)	(133,954)
Operating profit		286,891	1,063,126
Finance costs	5	(892,602)	(2,036,150)
Fair value movement on interest rate swap	19	(366,693)	-
Finance income	5	520	381
Loss before income tax		(971,884)	(972,643)
Income tax	7	(71,680)	(697,724)
Loss for the period		(1,043,564)	(1,670,367)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD 1 JANUARY 2020 TO 31 MARCH 2021

	Period 1.1.20 to 31.3.21 £	Year Ended 31.12.19 as restated £
Loss for the period	(1,043,564)	(1,670,367)
Other comprehensive income	-	-
Total comprehensive loss for the period	(1,043,564)	(1,670,367)

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 MARCH 2021

	Notes	31.3.21 £	31.12.19 as restated £	1.1.19 as restated £
Assets				
Non-current assets				
Owned				
Property, plant and equipment	9	20,746,931	22,634,153	24,170,686
Right-of-use				
Property, plant and equipment	9, 16	231,913	248,965	262,607
Investments		-	-	30
Trade and other receivables	10	27,953,800	27,953,800	973,000
		48,932,644	50,836,918	25,406,323
Current assets				
Trade and other receivables	10	1,399,678	1,233,033	1,642,589
Tax receivable		-	-	403,397
Cash and cash equivalents	11	1,985,170	3,079,519	316,568
		3,384,848	4,312,522	2,362,554
Total assets		52,317,492	55,149,470	27,768,877
Equity				
Shareholders' equity				
Called up share capital	12	1	1	1
Share premium		1,904,030	1,904,030	1,904,030
Other reserves		31,146,096	31,146,096	-
Accumulated Losses		(10,770,152)	(9,726,588)	(8,056,221)
Total equity		22,279,975	23,323,539	(6,152,190)
Liabilities				
Non-current liabilities				
Bank Borrowings				
Interest bearing loans and borrowings	14	25,328,592	26,966,507	-
Lease liabilities	15	230,531	243,355	253,169
Derivative financial liability	18	366,693	-	-
Deferred tax	16	2,607,949	2,536,268	1,838,544
Provisions	17	154,116	146,721	141,078
		28,687,881	29,892,851	2,232,791
Current liabilities				
Trade and other payables	13	77,492	869,406	31,678,838
Bank Borrowings				
Interest bearing loans and borrowings	14	1,261,838	1,053,860	-
Lease liability	15	10,306	9,814	9,438
		1,349,636	1,933,080	31,688,276
Total liabilities		30,037,517	31,825,931	33,921,067
Total equity and liabilities		52,317,492	55,149,470	27,768,877

The financial statements were approved and authorised for issue the Board of Directors and authorised for issue on ....23 December 2021......... and were signed on its behalf by:

G. Shaw

....
G E Shaw - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JANUARY 2020 TO 31 MARCH 2021

	Called up share capital £	Accumulated losses £	Share premium £	Other reserves £	Total equity £
Balance at 1 January 2019	1	(8,056,221)	1,904,030	-	(6,152,190)
Changes in equity					
Capital contributions	-	-	-	31,146,096	31,146,096
Total comprehensive loss	-	(1,670,367)	-	-	(1,670,367)
Balance at 31 December 2019	1	(9,726,588)	1,904,030	31,146,096	23,323,539
Changes in equity					
Total comprehensive loss	-	(1,043,564)	-	-	(1,043,564)
Balance at 31 March 2021	1	(10,770,152)	1,904,030	31,146,096	22,279,975

The notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE PERIOD 1 JANUARY 2020 TO 31 MARCH 2021

	Notes	Period 1.1.20 to 31.3.21 £	Year Ended 31.12.19 as restated £
Cash flows from operating activities			
Cash generated from operations	1	1,259,516	3,524,886
Net cash from operating activities		1,259,516	3,524,886
Cash flows from investing activities			
Purchase of tangible fixed assets		(34,301)	-
Realisation of fixed asset investments		-	973,030
New loans in year		-	(27,953,800)
Interest received		520	381
Net cash from investing activities		(33,781)	(26,980,389)
Cash flows from financing activities			
Arrangement fees paid		-	(737,865)
Loans repaid		(1,484,008)	(564,917)
Interest paid		(823,744)	(1,219,326)
Proceeds from borrowing		-	28,750,000
Payment of lease liabilities		(12,332)	(9,438)
Net cash from financing activities		(2,320,084)	26,218,454
(Decrease)/increase in cash and cash equivalents		(1,094,349)	2,762,951
Cash and cash equivalents at beginning of period	2	3,079,519	316,568
Cash and cash equivalents at end of period	2	1,985,170	3,079,519

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE PERIOD 1 JANUARY 2020 TO 31 MARCH 2021

1. **Reconciliation of loss before income tax to cash generated from operations**

	Period 1.1.20 to 31.3.21	Year Ended 31.12.19 as restated
	£	£
Loss before income tax	(971,884)	(972,643)
Depreciation charges	1,938,575	1,550,175
Movement in fair value of interest rate swap	366,693	-
Finance costs	892,602	2,036,150
Finance income	(520)	(381)
	2,225,466	2,613,301
(Increase)/decrease in trade and other receivables	(166,645)	327,374
(Decrease)/increase in trade and other payables	(799,305)	584,211
Cash generated from operations	1,259,516	3,524,886

2. **Cash and cash equivalents**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Period ended 31 March 2021

	31.3.21	1.1.20
	£	£
Cash and cash equivalents	1,985,170	3,079,519

Year ended 31 December 2019

	31.12.19	1.1.19 as restated
	£	£
Cash and cash equivalents	3,079,519	316,568

3. LIABILITIES ARISING FROM FINANCING ACTIVITIE

	At 1 January 2020	Cashflow	Non cash financing charge	At 31 December 2019
	£	£	£	£
Bank loans	28,020,367	(1,484,008)	54,071	26,590,430
Lease liabilities	253,169	(12,332)	-	40,837
	28,273,536	(1,498,340)	54,071	26,831,267

	At 1 January 2019 (as restated)	Cashflow	Arrangement fees paid	Non cash interest accrual	Non cash debtor offset	Non cash capital contribution	At 31 December 2019
	£	£	£	£	£	£	£
Current bank loans	-	1,147,157	(93,297)	-	-	-	1,053,860
Non-current bank loans	-	27,602,843	(636,336)	-	-	-	26,966,507
Lease liabilities	262,607	(9,438)	-	-	-	-	253,169
	262,607	28,740,562	(729633)	-	-	-	28,273,536

continued...

1. **General information**

Todmorden Moor Wind Farm is a company incorporated and domiciled in the United Kingdom. The office registered address is Foresight Group LLP, The Shard, London Bridge, London, SE1 9SG.

During the period the company's activity is development of electricity using wind technology on a wind farm in Todmorden.

Todmorden Moor Wind Farm Limited is a private company, limited by shares, registered in England and Wales.

2. **Accounting policies**

Basis of preparation
The company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements are presented in sterling which is the functional and presentational currency.

Measurement convention

The financial statements have been prepared under the historical cost convention.

New standards, interpretations, and amendments effective from 1 January 2020

During the period, the Company has adopted the following new and revised standards and interpretations. Their adoption has not had any significant impact on the accounts or disclosures in these financial statements.

- Amendments to References to the Conceptual Framework in IFRS Standards (effective 1 January 2020);
- Amendments to IFRS 3 Business Combinations (effective 1 January 2020);
- Definition of Material - Amendments to IAS 1 and IAS 8 (effective 1 January 2020); and
- Interest Rate Benchmark Reform - Amendments to IFRS 9, IAS 39 and IFRS 7 (effective 1 January 2020).

New standards not yet effective

- COVID-19-related Rent Concessions - Amendment to IFRS 16 Leases (effective 1 June 2020);
- Classification of Liabilities as Current or Non-current - Amendments to IAS 1 (effective 1 January 2022*);
- Amendments to: IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets (effective 1 January 2022); and
- Annual Improvements to IFRSs (2018-2020 Cycle): IFRS 1; IFRS 9; Illustrative Examples Accompanying IFRS 16; and IAS 41 (effective 1 January 2022).

continued...

2. **Accounting policies- continued)**

Significant accounting policies

Revenue Recognition

Revenue comprises amounts received and receivable in respect of generated electricity and Renewable Obligation Certificates (ROCs). Revenue in respect of both energy generation and ROCs is recognised over time. Under the terms of its Power Purchase Agreements (PPA) with customers, ROCs are immediately transferable to the customer.

Revenue from PPAs with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods. Revenue on the generation of energy is recognised based upon the value of units supplied during the period at the price under the PPA, with the number of units determined by energy volumes recorded on the wind farm meters and market settlement systems. The company has concluded that it is the principal in its revenue arrangements because it typically controls the goods before they are transferred to the PPA counterparty.

All revenue recognised in the period related to performance obligations satisfied in the period. There are no significant judgements taken in respect of the recognition of revenues.

While the performance obligation is satisfied as the electricity is generated, payment is generally due within 14 days from supply of energy or transfer of the ROCs, with the related amount recognised as a trade debtor or accrued income until payment is received from the customer.

The company has no material contract assets or liabilities other than trade debtors and accrued income as disclosed in note 11. There is only one operating activity and all revenue is generated within the United Kingdom.

Trade receivables
Trade and other receivables are recognised initially at transaction price and are subsequently stated at amortised cost using the effective interest method, less allowances for expected losses. The company measures the loss allowance for its trade receivables at an amount equal to the lifetime expected credit losses. The amount of expected losses (or reversal) that is required to adjust the loss allowance at the reporting date to its recognised amount is recognised through the profit or loss, as an impairment or a reversal of an impairment loss. Trade and other receivables are written off (either partly or in full) when there is no reasonable expectation of recovery.

Property, plant and equipment
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment losses. Cost comprises the aggregate amount paid, and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended. Borrowing costs are expensed as incurred as they do not meet the capitalisation criteria under IAS 23, as the construction of the related assets does not require a substantial period of time. Items of property, plant and equipment are depreciated to their estimated residual values on a straight-line basis over their expected useful lives as follows:

Wind assets - over 20 years - 5% straight line

The depreciation methods, estimated remaining useful lives and residual values are reviewed at each reporting date, taking account technological innovations and asset maintenance programmes. A change resulting from the review is treated as a change in accounting estimate. The depreciation expense is recognised in the income statement.

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2. **Accounting policies - continued**

Trade payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer), otherwise they are presented as non-current liabilities.

Provisions
A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

A provision has been made for the cost of decommissioning the wind farm.

Impairment of non-financial assets
Carrying value of non-financial assets is reviewed at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated.

A previously recognised impairment will be revised insofar as estimates change as a result of an event occurring after the impairment was recognised. An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised. A reversal of impairment is recognised in the income statement.

After the recognition of an impairment loss, the depreciation or amortisation charge for the asset is adjusted in the future periods to allocate the asset's revised carrying amount, less its residual value, on a systematic basis over its useful life.

Financial assets
On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL").
Financial liabilities are measured at amortised cost or FVTPL.

The classification of financial assets is based on the way a financial asset is managed and its contractual cash flow characteristics. Financial assets are measured at amortised cost if both of the following conditions are met and the financial asset or liability is not designated as at FVTPL:

- the financial asset is held with the objective of collecting or remitting contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the financial asset is held with the objectives of collecting contractual cash flows and selling the financial asset; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

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2. **Accounting policies - continued**

Financial assets - continued

The Company's principal financial instruments comprise cash and cash equivalents, trade receivables, amounts due from related companies trade payables and interest-bearing borrowings. Based on the way these financial instruments are managed and their contractual cash flow characteristics, all the Company's financial instruments are measured at amortised cost using the effective interest method. The amortised cost of financial assets is reduced by impairment losses as described below. Interest income, foreign exchange gains and losses, impairments and gains or losses on derecognition are recognised through the statement of comprehensive income.

Trade receivables and trade payables are held at their original invoiced value, as the interest that would be recognised from discounting future cash flows over the short credit period is not considered to be material. Cash equivalents comprise short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. An investment with a maturity of three months or less is normally classified as being short term. Cash and cash equivalents do not include other financial assets.

Impairment losses against financial assets carried at amortised cost are recognised by reference to any expected credit losses against those assets.

The simplified approach for calculating impairment of financial assets has been used for trade receivables. Lifetime expected credit losses are calculated by considering, on a discounted basis, the cash shortfalls that would be incurred in various default scenarios over the remaining lives of the assets and multiplying the shortfalls by the probability of each scenario occurring. The allowance is the sum of these probability weighted outcomes.

Loans from related parties and certain other receivables meet the criteria to be classified at amortised cost because they are held in a 'hold to collect' business model and meet the 'solely payments of principal and interest' ("SPPI") test and uses the general approach to calculate the expected credit loss. Under the general approach, at each reporting date, the company determines whether there has been a Significant Increase in Credit Risk (SICR) since initial recognition and whether the loan is credit impaired. If there has not been a SICR nor has the loan been credit impaired the company applies a 12-month credit loss alternatively the company applies a lifetime expected credit loss.

Lifetime expected credit loss are the losses that result from all possible default events over the expected life of the loan whereas 12-month expected credit loss are a portion of Lifetime expected credit loss that represent the credit loss that result from default events that are possible within 12 months of the reporting date.

continued...

2. **Accounting policies - continued**

Financial liabilities
Loans and accounts payables are classified as financial liabilities and are subsequently measured at amortised cost. Gains and losses are recognised in income when the financial liabilities are derecognised or impaired as well as through the amortisation process.

Finance costs and gains or losses relating to financial liabilities are included in the income statement. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Impairment of financial assets
The company's financial assets are reviewed at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, to determine whether there is any indication of impairment.

Taxation
Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

The charge for taxation is based on the profit or loss for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for accounting and taxation purposes. It also includes any adjustments in relation to prior periods.

Provision is made at current rates for deferred tax in respect of all timing differences that have originated but not reversed at the period end. Deferred tax assets are only recognised to the extent that they are regarded as recoverable.

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

Leases
Leases are recognised as finance leases. The lease liability is initially recognised at the present value of the lease payments which have not yet been made and subsequently measured under the amortised cost method. The initial cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, lease payments made prior to the lease commencement date, initial direct costs and the estimated costs of removing or dismantling the underlying asset per the conditions of the contract.

Where ownership of the right-of-use asset transfers to the lessee at the end of the lease term, the right-of-use asset is depreciated over the asset's remaining useful life. If ownership of the right-of-use asset does not transfer to the lessee at the end of the lease term, depreciation is charged over the shorter of the useful life of the right-of-use asset and the lease term.

Equity
Equity comprises the following

- "called up share capital" represents the nominal value of ordinary equity shares;
- "other reserves" represents the value transferred to the company by the parent entity not in exchange for equity.
- "retained earnings" include all other net gains and losses and transactions with owners not recognised elsewhere less dividends paid.

continued...

2. **Accounting policies - continued**

Judgements and key sources of estimation uncertainty
The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods.

The directors consider that the following estimates and judgements are likely to have the most significant effect on the amounts recognised in the financial statements.

Provision for decommissioning
Provisions for decommissioning are recognised in full when the related facilities are constructed. A corresponding amount equivalent to the provision is also recognised as part of the related plant and equipment. The amount recognised is he estimated cost of decommissioning, discounted to its net present value, and is reassessed each year in accordance with local conditions and requirements. Changes in the estimated timing of decommissioning or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to plant and equipment. The unwinding of the discount on the decommissioning provision is included as a finance cost.

Going concern
The financial statements have been prepared on the going concern basis.

COVID-19 has not had a significant impact on the business. All operators have the ability to work from home, and the O&M are classed as "key workers" so in the event of an issue at the wind farm there has been no effect with regards to support staff being able to access the site.

The directors of the company are satisfied after appropriate consultation with the directors of the group, review of the company's forecasts and projections, and taking into account of reasonably possible changes in trading performance and the current funds available and committed debt repayments, that the company is able to operate for at least twelve months from the signing of the Directors' Report and Financial Statements. For this reason, the directors believe that the company has adequate resources to continue in operational existence and therefore it is appropriate that the company continues to adopt the going concern basis in preparing the Directors' Report and Financial Statements.

continued...

3. Revenue

Revenue comprises:

	31.03.21	31.12.19
	£	£
Electricity	2,085,578	1,724,753
ROCs	2,578,113	1,933,575
	4,663,691	3,658,328

4. Employees and directors

There were no staff costs or directors' emoluments for the period ended 31 March 2021 nor for the year ended 31 December 2019. The average number of employees, excluding directors, during the period was nil (2019 : nil).

5. Net finance costs

	Period 1.1.20 to 31.3.21	Year Ended 31.12.19 as restated
	£	£
Finance income:		
Deposit account interest	520	381
Finance costs:		
Bank loan interest	811,302	26,172
Decommissioning discount unwinding	7,395	5,643
Shareholder loan interest	210	1,985,890
Amortisation of arrangement fees	61,463	8,233
Interest on leases	12,232	10,212
	892,602	2,036,150

continued...

6. **Loss before income tax**

The loss before income tax is stated after charging:

	Period 1.1.20 to 31.3.21	Year Ended 31.12.19 as restated
	£	£
Depreciation - owned assets	1,921,523	1,536,533
Depreciation - right of use asset	17,052	13,642
Auditors' remuneration	6,358	12,083
Foreign exchange differences	14,226	10,526
Variable lease costs recognised in profit and loss	92,360	56,971

7. **Income tax**

Analysis of tax expense

	Period 1.1.20 to 31.3.21	Year Ended 31.12.19 as restated
	£	£
Deferred tax	71,680	697,724
Total tax expense in income statement	71,680	697,724

Factors affecting the tax expense

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.1.20 to 31.3.21	Year Ended 31.12.19 as restated
	£	£
Loss before income tax	(969,975)	(972,643)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(184,295)	(184,802)
Effects of:		
Effect of non-deductible expenses	44,199	83,801
Group relief surrendered for no payment	42,684	100,492
Arising from origination and reversal of temporary differences	(69,672)	(5,357)
Arising prior period adjustments	(47,890)	702,899
Arising from changes in tax rates or laws	292,750	691
Income not taxable for tax purposes	(6,096)	-
Tax expense	71,680	697,724

continued...

7. Income tax - continued

The proposed increase in the corporation tax rate to 19% with effect from 1 April 2020 had been substantively enacted as at the balance sheet date and therefore the closing deferred tax balance has been translated at 19%. The government has pledged to increase the 19% tax rate in 2023 to 25%.

8. Prior year adjustment

The financial statements for the year ended 31 December 2019 adopted the new IFRS 16 Leases standard. The lease relevant to the Company was not included in the transition to IFRS 16 as it was understood the leases included only variable payment linked to revenue. During the current period it was identified that the lease include a contractual minimum fixed amount each year and was not wholly variable payments. In accordance with IFRS 16 the present value of the fixed amount due under the lease contract should be recognised as a lease liability at the point of adoption of the standard (1 January 2019) along with an associated Right of Use Asset. As the modified retrospective approach has been adopted on transition the Right of Use Asset is the same value as the lease liability. In addition, the fixed element of the rental should not have been included as a rent charge through the income statement and is instead reflected as a repayment of the lease liability and the profit and loss is charged with depreciation of the right of use asset and interest on the lease liability. The statement of cash flows reclassifies the fixed payment from operating cash flow to financing.

The error in the prior year results has been corrected and the increase/(decrease) to the relevant line items as a result of the correction are summarised below:

	Year ended 31.12.19 £
Income statement	
Rent costs	(19,650)
Right of use asset depreciation for the year	13,642
Interest on lease liabilities	10,212

	As at 31.12.19 £	As at 1.1.19 £
Statement of financial position:		
Right of use assets	248,965	262,607
Lease liability	(253,169)	(262,607)

continued...

9. Property, plant and equipment

	Right of use asset £	Plant and machinery £	Totals £
Cost			
At 1 January 2019 (as restated)	262,607	30,785,760	31,048,367
Additions	-	-	-
At 31 December 2019 (as restated)	262,607	30,785,760	31,048,367
Additions	-	34,301	34,301
At 31 March 2021	262,607	30,820,061	31,082,668
Depreciation			
At 1 January 2019	-	6,615,074	6,615,074
Charge for period	13,642	1,536,533	1,536,533
At 1 January 2020	13,642	8,151,607	8,165,249
Charge for period	17,052	1,921,523	1,938,575
At 31 March 2021	30,694	10,073,130	10,103,824
Net book value			
At 31 March 2021	231,913	20,746,931	20,978,844
At 31 December 2019	248,965	22,634,153	22,883,118
	262,607	24,170,686	24,433,293

10. Trade and other receivables

	31.3.21 £	31.12.19 £
Non Current:		
Loans to related parties	27,953,800	27,953,800

There is no interest charged on the loan to a related party. It is repayable on demand and the fair value is deemed to be the same as the carrying value. The has not considered to be a significant change in credit risk since the inception of the loan and therefore no provision has been made. While the loan is repayable on demand it has been classified as non current as there is not an intention to recover the loan in the next 12 months.

continued...

10 **Trade and other receivables (continued)**

	31.03.21	31.12.19
	£	£
Current:		
Trade debtors	-	86,109
Amounts owed by group undertakings	59,740	-
VAT	128,532	101,391
Prepayments and contract assets	1,211,406	1,045,533
	1,399,678	1,233,033

Financial assets are carried at amortised costs. There are no material differences between the fair value and the carrying amount of the above financial assets. The present value of the cash flows is reassessed at the end of each reporting period at the prevailing market rate.

Trade receivables are non-interest bearing and are generally on terms of 14 days. All trade receivables were either current or due within 90 days and no provision (2019 - £nil) is made based upon the historic experience of default with these customers.

The amount owed by group undertakings is a trading balance and there has been no significant increase in credit risk since the inception of the balance.

11. **Cash and cash equivalents**

	31.3.21	**31.12.19 as restated**
	£	**£**
Bank accounts	1,985,170	3,079,519

12. **Called up share capital**

Allotted, issued and fully paid:

Number:	**Class:**	**Nominal value:**	**31.3.21**	**31.12.19 as restated**
			£	**£**
1	ordinary shares	1	1	1

SHARE PREMIUM

	31.03.21	31.12.19
	£	£
Cash one exercise in excess of ordinary share capital	1,904,030	1,904,030

continued...

13. Trade and other payables

	31.3.21	31.12.19 as restated
	£	£
Current:		
Trade creditors	35,868	382,123
Amounts owed to group undertakings	-	366,281
Accrued expenses	41,624	121,002
	77,492	869,406

There are no material differences between the fair value and the carrying value of the above liabilities. The present value of the cash flows is reassessed at the end of each reporting period at the prevailing interest rate.

The company's principal financial liabilities comprise trade and other payables and loans.

The amounts owed to group undertakings in the prior period is a trading balance as disclosed in note 21.

14. Bank borrowings

	31.3.21	31.12.19
	£	£
Bank loans - due in less than 1 year	1,311,066	1,147,157
Arrangement fees allocated over the life of the loan	(49,228)	(93,297)
	1,261,838	1,053,860
Bank loans - due in 2-5 years	6,010,565	5,564,269
Bank loans due in more than 5 years	19,944,363	22,038,574
Arrangement fees allocated over the life of the loan	(626,336)	(636,336)
	25,328,592	26,966,507

The bank borrowing in the current period consist of a facility denominated in GBP and bearing interest at between 1.3% and 1.8% above LIBOR. The bank loan is repayable in non-equal instalments with the final repayment due in December 2034. The assets of the Company form security for the bank loans via fixed and floating charges.

continued...

15. **Leasing**

	31.3.21	31.12.19 As restated	1.1.19 As restated
	£	£	£
Minimum lease payments fall due as follows			
Gross obligations repayable:			
Within one year	19,650	19,650	19,650
Between one and five years	78,600	78,600	78,600
In more than five years	232,346	256,908	276,558
	330,596	355,158	374,808
Finance charges payable:			
Within one year	9,344	9,836	10,212
Between one and five years	33,073	35,251	36,918
In more than five years	47,342	56,903	65,071
	89,759	101,990	112,201
Net obligations repayable			
Within one year	10,306	9,814	9,438
Between one and five years	45,527	43,349	41,682
In more than five years	185,004	200,005	211,487
	240,837	253,168	262,607

The right of use asset relating to the lease is disclosed in note 9.

continued...

16. **Deferred tax**

	31.3.21	31.12.19
	£	£
At 1 January	2,536,268	1,838,544
Income statement (credit) / charge	71,681	697,724
Balance at 31 March	2,607,949	2,536,268

	31.3.21	31.12.19
	£	£
Deferred tax comprises of:		
Short term timing differences	(40,824)	(5,230)
Fixed asset timing differences	2,760,427	2,541,498
Timing differences arising on fair value of interest rate swap	(58,130)	-
Losses and other deductions	(53,524)	-
Balance at 31 March 2021 (31 December 2020)	2,607,949	2,536,268

17. **Provisions**

	31.3.21	31.12.19
	£	£
Other provisions	154,116	146,721
Analysed as follows:		
Non-current	154,116	146,721

Movement in period £7,395

A provision has been recognised for decommissioning costs associated with the wind farm owned by the company. The decommissioning provision provides for the future costs of decommissioning of the wind farm. The decommissioning costs were estimated at the time of construction based on the number and height of the turbines. The provision has been discounted at an annual rate of 4% (2019: 4%) and this discount will be unwound and charged to the income statement until 2034, the estimated date of decommissioning.

continued...

18. Financial risk management

The company's principal financial assets and liabilities comprise trade receivables, cash, interest bearing loans and trade payables.

The company has exposure to the following risks from its use of financial instruments:

- Market risks, including foreign currency, commodity price, interest rate, inflation rate risks
- Credit risk
- Liquidity risk
- Capital management risk
- Technical risk

This note represents information about the company's exposure to each of the above risks and the company's objectives, policies and processes for assessing and managing risk.

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework.

a) Market risk
The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return on risk.

The company is not exposed to significant foreign currency risk as the majority of all payables and receivables are denominated in pounds sterling which is the functional currency in which the company operates.

The company has limited exposure to interest rate risk. The company is partially funded by the parent company and has floating rate interest bearing loans or borrowings at 31 March 2021. The company does not intend to hold cash for the purpose of generating interest income. The company does not currently consider it necessary to actively manage interest rate risk.

At the year end the company has a swap agreement with AIB in order to mitigate interest rate risk. The fair value of the instrument has been recognised in the financial statements.

b) Credit risk
The company's policy is aimed at minimising losses as a result of counterparty's failure to honour its obligations. Exposure to credit risk arises as a result of the transactions with counterparties. The counterparties used by the company are considered by management to be of appropriate credit rating. At each balance sheet date, the company's financial assets were neither impaired nor past due. The maximum credit exposure at reporting date are the carrying value of the credit balances if any. The intergroup loan is repayable on demand. All bank balances are held with banks with high credit ratings.

c) Liquidity risk
Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company monitors its risks of shortage of funds using projected cash flows and by monitoring the maturity of both its financial assets and obligations.

continued...

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

31 March 2021

	On demand £	Less than 3 months £	3 to 12 months £	2 to 5 years £	>5 years £	Total £
Financial Liabilities						
Trade and other payables	-	77,492	-	-		77,492
Bank loans		455,054	1,409,111	7,991,474	22,241,758	32,097,398
Lease liability		4,913	14,738	78,600	232,346	330,596
	-	537,459	1,423,849	8,070,074	22,474,104	32,505,486

31 December 2019

	On demand £	Less than 3 months £	3 to 12 months £	2 to 5 years £	>5 years £	Total £
Financial Liabilities						
Trade and other payables	-	503,019	-	-	-	503,019
Bank loans	-	447,928	1,294,059	7,673,008	24,906,159	34,321,154
Owing to group company	366,281	-	-	-	-	366,281
Lease liability		4,913	14,738	78,600	256,908	355,158
	366,281	9585,860	1,308,797	7,751,608	25,163,067	35,545,612

d) Capital management
Management considers capital to consist of equity plus net debt as disclosed in the balance sheet. The primary objective of the company's capital management is to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a capital structure to reduce the cost of capital.

The company's policy is to finance its operations through a combination of equity, shareholder debt and bank borrowings. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders or issue new shares. It is the company's policy not to hold financial instruments for speculative purposes.

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e) Technical risk
The company is exposed to technical problems with the operation of its wind turbines that could reduce availability for electricity generation To mitigate against technical risk, the Group has contracted a team of experienced contractors who are responsible for monitoring wind farm performance and advising appropriate levels of essential parts.

19. **Financial instruments**

Fair value category
Except for the derivative interest rate swap the financial assets and liabilities held by the Company for both 31 March 2021 and 31 December 2019 were categorised under loans and receivables and carried at amortised cost. Derivative financial instruments, consisting of interest rate swaps, are considered Level 2 and carried at fair value through profit and loss.

The fair value of the financial assets and liabilities carried at amortised cost, together with the carrying amounts shown in the balance sheet are as follows:

	Carrying amount 31.03.21	Carrying amount 31.12.19	Fair Value 31.03.21	Fair Value 31.12.19
Financial Assets:				
Trade receivables	59,740	86,109	59,740	86,109
Loans	27,953,800	27,953,800	27,953,800	27,953,800
Financial Liabilities:				
Trade and other payables	77,492	869,406	77,492	869,406
Loans	26,590,430	28,020,367	26,590,430	28,020,367
Lease liabilities	240,837	253,169	240,837	253,169

The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.,

Trade receivables and trade payables approximate their carrying amounts largely due to the short-term maturities of the instruments.

It is considered that the fair value of the loans is equivalent to the carrying value.

Derivative financial liabilities at fair value through profit or loss

	Carrying amount 31.03.21	Carrying amount 31.12.19	Fair Value 31.03.21	Fair Value 31.12.19
Interest rate SWAP	366,693	-	366,693	-

continued...

20. **Contingent liability**

The company has provided performance bond bank guarantees to landlords amounting to £272,000 (2019 - 271,749).

21. **Related party transactions**

As at December 2018 the company owed a long-term loan of £31,326,555 to CEP Wind 3 Limited, a parent company. The balance on this loan was forgiven, giving rise to a capital contribution, when the company was purchased by FW G&T Wind Holdings Limited.

The company has since entered into an interest free loan receivable with CEP Wind 3 Limited of £27,953,800 (2019 - £27,953,800). There is also an intercompany receivable £3,174 (2019 - £nil).

The company has an intercompany receivable with CEP Wind 1 Limited of £55,188 (2019 - £nil).

The company has an intercompany receivable with CEP Wind 2 Limited of £1,378 (2019 - £nil).

The company also have an intercompany payable balance of £Nil (2019 - £366,281) with Blackmead Infrastructure Limited, the ultimate controlling party,

22. **Ultimate controlling party**

The company is a wholly owned subsidiary of CEP Wind 3 Limited, which is in turn owned by CEP Wind 1 Limited.

During the prior year the group was purchased by FW G&T Wind Holdings Limited, who are wholly owned by Blackmead Infrastructure Limited.

Averon Park Limited is the ultimate controlling party of the company.

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