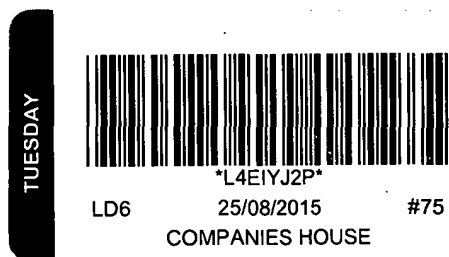


WEAR POINT WIND (HOLDCO) LIMITED

**DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2014**



Registered Number 08235168

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

CONTENTS	Page
Directors and advisors	1
Directors' report	2
Directors' responsibilities statement	3
Independent auditor's report to the members of Wear Point Wind (Holdco) Limited	4
Consolidated profit and loss account	5
Consolidated balance sheet	6
Company balance sheet	7
Cash flow statement	8
Notes to the financial statements	9-15

DIRECTORS AND ADVISORS

Directors

D Hardy	(appointed 31 March 2015)
R McArthur	(resigned 31 March 2015)
S L Parrish	
C Dix	(resigned 29 October 2014)

Company secretary and registered office

Maria Lewis
1 Kingsway
London
WC2B 6AN

Auditor

Deloitte LLP
Chartered Accountants and registered auditor
London

Principal bankers

Nord LB
One Wood Street
London
EC2V 7WT

DIRECTORS' REPORT

The Directors submit their Annual Report and the audited financial statements for the year ended 31 December 2014.

The Director's report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. No strategic report has been prepared in accordance with the provision applicable to companies entitled to the small companies exemption.

On 31 March 2015 John Laing Environmental Assets Group (UK) Limited acquired 100% of the shares in the Group from the previous shareholder, John Laing Investments Limited.

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The Company operates principally as a holding company for Wear Point Wind Limited Limited. The principal activity of the Group is the design, build, financing and operation of an 8.2MW wind farm in Pembrokeshire. The wind farm became fully operational on 30 June 2014.

The Directors have considered the use of the going concern basis in the preparation of the financial statements in light of current market conditions and concluded that it is appropriate. More information is provided in note 1 to the financial statements.

FUTURE DEVELOPMENTS

The Directors are not aware, at the date of this report, of any major changes in the Group's activities in the next year.

FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a number of risks which are set out below:

Cash flow risk: The Groups's borrowings expose it to cash flow risk primarily due to the financial risks of changes in interest rates. The Group uses interest rate swap contracts to mitigate these exposures.

Exposure to market prices: The Group is exposed to long term electricity market prices now the wind farm is operational. We are currently monitoring the electricity market and a 15 year Purchase Power Agreement has been entered into, effective from the start of commercial operations. We continue to monitor the market.

Wind / energy yield risk: The Group has in preparing the project engaged consultants to assess long term wind predictions and consequent energy yield for the given turbines. It is recognised that while best practice methodologies were used to the Banks satisfaction, there still remains a risk that wind and energy yield may be less (or more) than modelled. The project was financed on an assumption that realistic downsides when modelled would not materially jeopardise the project.

Credit risk: The Group's principal financial assets are cash, trade and other receivables. Due to the contractual arrangements the Directors believe this risk to be minimal.

DISCLOSURE OF INFORMATION TO THE AUDITOR

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

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

DIRECTORS

The Directors who served throughout the year, except as noted, are shown on page 1.

EMPLOYEES

Details of the number of employees and related costs can be found in note 5 to the financial statements on page 11.

AUDITOR

Pursant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Deloitte LLP will therefore continue in office.



On behalf of the Board
S L Parrish
Director

25 June 2015

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WEAR POINT WIND (HOLDCO) LIMITED

We have audited the financial statements of Wear Point Wind (Holdco) Limited for the year ended 31 December 2014, which comprise the consolidated profit and loss account, the consolidated and company balance sheets, consolidated cash flow statement and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's 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, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group and parent Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and parent Company's affairs as at 31 December 2014 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the company was not entitled to take advantage of the small companies exemption in preparing the Strategic report and in preparing the Directors' report.



Ross Howard (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

25 June 2015

WEAR POINT WIND (HOLDCO) LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	Period 1 October 2012 to 31 December 2013 £
Turnover	2	1,144,388	-
Cost of sales		(154,144)	-
Gross Profit		990,244	-
Administration costs		(480,794)	(198,567)
Operating profit / (loss)	3	509,450	(198,567)
Net interest payable	6	(719,894)	(128,518)
Loss on ordinary activities before taxation		(210,444)	(327,085)
Tax on loss on ordinary activities	7	161,174	-
Loss for the financial year/period	18	(49,270)	(327,085)

A reconciliation of movements in shareholder's deficit is given in note 18.

All items in the profit and loss account relate to continuing operations.

There is no material difference between the results stated in the consolidated profit and loss account and their historical cost equivalents.

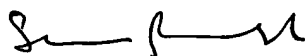
All gains and losses are recognised in the profit and loss account in both the current year and preceding period, and therefore no separate statement of total recognised gains and losses has been presented.

WEAR POINT WIND (HOLDCO) LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2014

	Notes	2014 £	2013 £
Fixed assets			
Intangible fixed assets	9	2,927,884	3,308,003
Tangible fixed assets	10	13,200,723	11,803,829
Current assets			
Debtors		2,085,652	96,833
- due within one year	11	<u>2,085,652</u>	<u>96,833</u>
Cash at bank and in hand		18,391	95,622
		<u>2,104,043</u>	<u>192,455</u>
Current liabilities			
Creditors: amounts falling due within one year	12	(1,293,004)	(2,115,417)
Net current assets /(liabilities)		<u>811,039</u>	<u>(1,922,962)</u>
Total assets less current liabilities		16,939,646	13,188,870
Creditors: amounts falling due after more than one year	12	(17,069,905)	(13,473,995)
Provision for liabilities	14	(245,851)	(41,715)
Net liabilities		<u>(376,110)</u>	<u>(326,840)</u>
Capital and reserves			
Called up share capital	16	245	245
Profit and loss account	17	(376,355)	(327,085)
Shareholder's deficit	18	<u>(376,110)</u>	<u>(326,840)</u>

The consolidated financial statements of Wear Point Wind (Holdco) Limited, registered number 08235168, were approved by the Board of Directors and authorised for issue on 25 June 2015. They were signed on its behalf by:



S L Parrish
Director
25 June 2015

WEAR POINT WIND (HOLDCO) LIMITED

COMPANY BALANCE SHEET AS AT 31 DECEMBER 2014

	Notes	2014 £	2013 £
Fixed assets			
Investments	8	3,136,243	3,398,983
Current assets			
Debtors		-	-
Current liabilities			
Creditors: amounts falling due within one year	12	(1,370,025)	(1,565,697)
Net current liabilities		<u>(1,370,025)</u>	<u>(1,565,697)</u>
Total assets less current liabilities		1,766,218	1,833,286
Creditors: amounts falling due after more than one year	12	(2,063,628)	(1,962,740)
Net liabilities		<u>(297,410)</u>	<u>(129,454)</u>
Capital and reserves			
Called up share capital	16	245	245
Profit and loss account	17	(297,655)	(129,699)
Shareholder's deficit	18	<u>(297,410)</u>	<u>(129,454)</u>

The financial statements of Wear Point Wind (Holdco) Limited, registered number 08235168, were approved by the Board of Directors and authorised for issue on 25 June 2015. They were signed on its behalf by:

S L Parrish
Director
25 June 2015



CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	Period 1 October 2012 to 31 December 2013 £
Net cash (outflow)/inflow from operating activities	19	(1,537,586)	2,216,357
Returns on investments and servicing of finance			
Interest received		2,686	1,181
Interest and other financing costs paid		(573,848)	(454,000)
Net cash outflow from returns on investments and servicing of finance		(571,162)	(452,819)
Capital expenditure and financial investment		(1,037,906)	(7,381,372)
Acquisition of subsidiary	8	-	2,885,351
Movement in other financial assets		(1,172,346)	-
Net cash outflow before use of liquid resources and financing		(4,319,000)	(2,732,483)
Financing			
Loan Injection		4,241,769	3,207,674
Repayment of secured loan		-	(379,814)
Issue of ordinary share capital		-	245
Net cash inflow from financing		4,241,769	2,828,105
Increase / (decrease) in cash in the year/period		(77,231)	95,622

Notes to the financial statements for the year ended 31 December 2014

1 ACCOUNTING POLICIES

a) Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards. A summary of the principal accounting policies adopted by the Directors, which have been applied consistently throughout the current year and preceding period, is shown below.

Going Concern

The current economic conditions create some uncertainty, including with respect to:

- (a) the ability of key sub-contractors to continue to meet contractual commitments;
- (b) the ability of the debt provider to continue to meet its contractual commitments;

The Directors have considered the ability of key sub-contractors to continue to meet contractual commitments and do not consider this to be a material risk.

The Directors have also considered the ability of counterparties to continue to pay under the Feed in Tariff regime and Power Purchase Agreement due to the Group and do not consider this to be a material risk.

The Group's forecasts and projections, taking account of reasonably possible changes in counterparty performance, show that the Group expects to be able to continue to operate.

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Basis of Consolidation

The Company is no longer exempt under section 400 of the Companies Act 2006 from any requirement to prepare consolidated financial statements for its group. As a result consolidated financial statements have been prepared and comparative information has been presented. The Group financial statements consolidate the financial statements of the Company and its subsidiary undertaking drawn up to 31 December each year/period. The company is no longer exempt from the preparation of a cash flow statement and accordingly a consolidated cash statement, including comparatives, has been presented. As permitted by section 408 of the Companies Act 2006, no separate profit and loss account is presented in respect of the parent company. The loss for the financial year recognised for the parent was £167,956 (period ended 31 December 2013 - £129,699).

b) Turnover

Turnover represents income under the Power Purchase Agreement, Renewable Obligation Certificates and other revenue streams in relation to the generation of electricity. Turnover is net of VAT and is entirely derived in the United Kingdom. Turnover is recognised at the time the electricity is generated.

c) Taxation

Current tax, including United Kingdom Corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

In accordance with FRS19 'Deferred Tax', deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the period in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are not discounted.

Notes to the financial statements for the year ended 31 December 2014 (continued)

ACCOUNTING POLICIES (continued)

- d) **Investments**
Fixed asset investments are shown at cost less provision for impairment. Income from investments is included in the profit and loss account as declared.
- e) **Intangible fixed assets**
Intangible fixed assets are stated at cost, net of amortisation and any provision for impairment. Amortisation is provided on all intangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life. Amortisation is accounted for as an administration expense.
- 9) **Tangible fixed assets**
Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is accounted for as an administration expense. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:
Plant and machinery 25 years
- h) **Finance costs**
Finance costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.
- i) **Cash**
Cash comprise cash at bank and in hand and short term deposits with original maturity of less than three months.
- j) **Financial Instruments**
The Group uses financial instruments to reduce exposure to interest rate movements. The Group does not hold or issue derivative financial instruments for speculative purposes.
- k) **Debt issue costs**
Costs incurred following the issue of debt are held on the balance sheet and charged to the profit and loss account over the period that the relevant debt is held.
- l) **Decommissioning costs**
The Group is liable for decommissioning costs at the end of the licence period to return the solar farm site to its original state and condition. The key assumptions for the value in use calculations are those regarding the discount rates, inflation rates and expected costs. There is uncertainty at the present time about the exact timing and quantum of these costs. A provision for decommissioning has been recognised based on the Directors' best estimate of the decommissioning obligation. The estimated future cash outflows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money.

Notes to the financial statements for the year ended 31 December 2014 (continued)

2 TURNOVER

	Group	Group
		Period
		1 October 2012 to
	2014	31 December 2013
	£	£
Turnover in the year is analysed as follows:		
Renewable Obligation Certificate revenue	453,453	-
Power Purchase Agreement revenue	630,001	-
Levy Exemption Certificate revenue	60,934	-
	<u>1,144,388</u>	<u>-</u>

3 OPERATING PROFIT / (LOSS)

	Group	Group
		Period
		1 October 2012 to
	2014	31 December 2013
	£	£
Operating profit/(loss) is stated after charging:		
Fees payable to the Company's auditors for the audit of the Company and the Company's subsidiary	6,502	6,220
Depreciation (note 10)	269,975	-
Amortisation (note 9)	117,379	121,002
Operating lease costs	<u>4,119</u>	<u>-</u>

There were no fees for non-audit services in the current year or preceding period.

4 DIRECTORS' REMUNERATION

No directors received any remuneration for services to the Company during the current year or prior period. The Company is managed by secondees from the shareholders under a management services contract.

5 STAFF NUMBERS

The Group had no employees during the current year or preceding period.

6 NET INTEREST

	Group	Group
		Period
		1 October 2012 to
	2014	31 December 2013
	£	£
Interest receivable and similar income		
Interest receivable on bank deposits	<u>2,686</u>	<u>1,181</u>
	2,686	1,181
Interest payable and similar charges		
Interest payable on bank loans and overdrafts	(577,610)	(454,527)
Interest payable to parent undertaking	(515,447)	(455,918)
Amortised debt issue costs	(54,348)	(21,734)
Unwinding of discount on provision	(1,434)	-
Capitalised interest	<u>426,259</u>	<u>802,480</u>
	(722,580)	(129,699)
Net interest	<u>(719,894)</u>	<u>(128,518)</u>

7 TAX ON RESULTS ON ORDINARY ACTIVITIES

	Group	Group
		Period
		1 October 2012 to
	2014	31 December 2013
	£	£
<u>Analysis of charge for the year</u>		
Deferred tax		
Current year/period	173,262	-
Adjustments in respect of previous periods	<u>(12,088)</u>	<u>-</u>
Total deferred tax	<u>161,174</u>	<u>-</u>
Total tax credit on results from ordinary activities	<u>161,174</u>	<u>-</u>

Factors affecting the tax credit for the current year

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax are as follows:

Notes to the financial statements for the year ended 31 December 2014 (continued)

7 TAX ON RESULTS ON ORDINARY ACTIVITIES (CONTINUED)

	Group	Group
	2014	Period 1 October 2012 to 31 December 2013
	£	£
Profit for the financial year	(210,444)	(327,085)
Results from ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%)	45,245	76,047
Effects of:		
Disallowable expenditure	(31,349)	(28,133)
Origination and reversal of timing differences	182,352	-
Tax losses not recognised for deferred tax purposes	(35,074)	(47,914)
Tax losses recognised for deferred tax purposes	(161,174)	-
Total current tax for the year	-	-

For the year ended 31 December 2014, the blended UK rate of 21.50% is applied due to the change in the UK corporation tax rate from 23% to 21% with effect from 1 April 2014.

In the 2013 Budget (delivered on 20 March 2013), it was announced that the main rate of corporation tax for UK companies would reduce to 21% from 1 April 2014, and then reduce further to 20% from 1 April 2015. This future reduction in the main rate of corporation tax to 20% was substantively enacted for financial reporting purposes on 2 July 2013. The reduced rate of 20% has therefore been reflected in the calculation of deferred tax at the balance sheet date.

8 INVESTMENTS

	Shares in group undertaking £
Cost	
At 1 January 2014	3,398,983
Deferred consideration adjustment	(262,740)
At 31 December 2014	3,136,243
Cost and Net book value	
At 31 December 2014	3,136,243
At 31 December 2013	3,398,983

The investment of £3,136,243 (2013 - £3,398,983) is held in Wear Point Wind Limited, which is a wholly owned subsidiary registered in the United Kingdom, and whose principal activity is that of a renewable energy developer. The investment in Wear Point Wind Limited includes deferred consideration of £1,700,000 paid to Infinergy Assets Limited following the commissioning of Wear Point wind farm under the terms of the Share Purchase Agreement.

In February 2013 Wear Point Wind (Holdco) Limited acquired 100% of the shares in Wear Point Wind Limited for a consideration of £3,398,983. At the date of acquisition the cash position of the subsidiary was £6,284,334 which gave rise to an increase of cash of £2,885,351 upon acquisition.

In the opinion of the Directors the value of the investment in this subsidiary undertaking is not less than the amount stated in the balance sheet.

9 INTANGIBLE FIXED ASSETS

	Group Intangible Fixed Assets 2014 £	Group Intangible Fixed Assets 2013 £
Cost		
At 1 January	3,429,005	-
Additions	-	3,429,005
Deferred consideration adjustment	(262,740)	-
At 31 December	3,166,265	3,429,005
Amortisation		
At 1 January	(121,002)	-
Charge for the period	(117,379)	(121,002)
At 31 December	(238,381)	(121,002)
Net book value		
At 31 December	2,927,884	3,308,003

Intangible assets arose when the Group purchased shares in Wear Point Wind Limited on 12 February 2013. The fair value of the licences acquired were £3,429,005. The fair value included a deferred consideration payable to Infinergy Assets Limited 25 days after commissioning of the Wear Point wind farm. The deferred consideration paid in 2014 was £262,740 lower than that estimated in the financial statements for the period ended 31 December 2013 and therefore an adjustment was made to the carrying value of the intangible assets in 2014.

Notes to the financial statements for the year ended 31 December 2014 (continued)

10 TANGIBLE FIXED ASSETS

	Group Plant and Equipment 2014 £	Group Plant and Equipment 2013 £
Cost		
At 1 January	11,803,829	-
Additions	1,666,869	11,803,829
At 31 December	13,470,698	11,803,829
Accumulated depreciation		
At 1 January	-	-
Charge for the period	(269,975)	-
At 31 December	(269,975)	-
Net book value		
At 31 December	13,200,723	11,803,829

Tangible fixed asset additions in 2013 include assets in Wear Point Wind Limited that were acquired when the Group purchased shares in the subsidiary in 2013 at a value of £3,578,262. Following a review of the decommissioning provision in the year (see note 14) the directors have re-assessed the estimated costs anticipated on decommissioning, with the adjustment of £202,702 (2013 - £41,715) recorded in the carrying value of fixed assets.

Tangible fixed assets include cumulative interest costs of £1,228,739 (2013 - £802,480).

11 DEBTORS

	Group 2014 £	2013 £
Due within one year:		
Deferred tax asset	161,174	-
Other taxation and social security	60,291	91,546
Trade debtors	-	5,287
Prepayments and accrued income	691,841	-
Other financial assets	1,172,346	-
	2,085,652	96,833

Other financial assets includes long term deposits of £1,172,346.

Accelerated capital allowances will reduce future taxable profits or, to the extent that they create current year losses, may be surrendered for consideration at the prevailing corporation tax rate. It is therefore appropriate to recognise a deferred tax asset on these amounts.

12 CREDITORS

	Group		Company	
	2014 £	2013 £	2014 £	2013 £
Amounts falling due within one year				
Bank loan	945,100	457,856	-	-
Less: unamortised debt issue costs	(55,624)	(58,465)	-	-
Amounts owed to parent undertaking	328,526	-	-	-
Trade creditors	24,723	119,228	-	-
Other creditors	-	1,565,697	1,370,025	1,565,697
Accruals and deferred income	50,279	31,101	-	-
	1,293,004	2,115,417	1,370,025	1,565,697
Amounts falling due after more than one year				
Bank loan	10,545,435	8,490,909	-	-
Less: unamortised debt issue costs	(318,294)	(369,801)	-	-
Amounts owed to parent undertaking	6,842,764	5,352,887	2,063,628	1,962,740
	17,069,905	13,473,995	2,063,628	1,962,740
	2014 £	2013 £	2014 £	2013 £
Analysis of debt:				
Debt can be analysed as falling due:				
In one year or less	1,273,626	457,856	-	-
Between one and two years	827,742	778,650	-	-
Between two and five years	3,432,043	3,348,834	-	-
In five years or more	13,128,414	9,319,269	2,063,628	1,962,740
	18,661,825	13,904,609	2,063,628	1,962,740
Less: unamortised debt issue costs	(373,918)	(428,266)	-	-
	(373,918)	(428,266)	-	-
	18,287,907	13,476,343	2,063,628	1,962,740

Notes to the financial statements for the year ended 31 December 2014 (continued)

13 LOANS

The Company has a term loan facility of £16,692,892 which is split into two tranches. Tranche A is for the amount of £11,324,083 and has been fully drawn. The facility for Tranche B of the term loan of £5,019,097 relating to the Turbine Supply Agreement letter of credit was undrawn at the date of its expiry in 2014.

Tranche A of the term loan is repayable in instalments by 31 December 2028, based on an agreed percentage amount of the total amount drawn down. Repayments commenced on 30 June 2014.

In December 2012, as part of its interest rate management strategy and in accordance with the terms of its credit agreement the Company entered into an interest rate swap maturing on 30 June 2026. Under this swap the Company receives interest on a variable basis and pays interest at a fixed rate of 2.32%.

The fixed interest rate swap was entered into to mitigate the interest exposure of the Company and has a negative fair value at 31 December 2014 of £342,765 (2013 - (£241,787)).

The Company has a decommissioning bond facility of £82,000. The decommissioning bond facility is repayable by 14 December 2022. Interest is charged at LIBOR plus 2.75%.

The Group has a VAT facility of £995,946 of which £108,143 was outstanding at 31 December 2014. The VAT facility was extended from 31 May 2014 to 31 March 2015. Interest is charged at LIBOR plus 2.75%.

Subordinated debt

The Group has two subordinated debt facilities from which unsecured subordinated debt fixed rate loan notes may be drawn.

Under the first facility, which was used to fund project construction costs, loan notes are due December 2032 and bear an interest rate of 10% per annum. The principal amount of these unsecured subordinated debt fixed rate loan notes is limited to £3,063,928 plus any unpaid interest added to the loan at the option of the borrower under the terms of the facility. The principal amount of these unsecured subordinated debt fixed rate loan notes outstanding at 31 December 2014 was £3,737,636 (2013 - £3,390,147), which included £347,490 of unpaid interest added to the principal during the year (period ended 31 December 2013 - £326,219).

Under the second facility, which was used to fund the acquisition of the subsidiary company from Infinergy Assets Limited, loan notes are due December 2032 and bear an interest rate of 8.5% per annum. The principal amount of these unsecured subordinated debt fixed rate loan notes is unlimited. The principal outstanding at 31 December 2014 was £3,433,653 (2013 - £1,565,697), which included £167,957 of unpaid interest added to the principal during the year (period ended 31 December 2013 - £129,699).

14 PROVISIONS FOR LIABILITIES

	Decommissioning Provision	£
Provision		
At 1 January 2014		41,715
Additions		202,702
Unwinding of the discount		1,434
At 31 December 2014		245,851
At 31 December 2013		41,715

The Groups decommissioning provision results from its obligation at the end of the licence period to return the wind farm site to its original state and condition. The Group has estimated the net present value of the decommissioning provision to be £245,851 as at 31 December 2014 (2013 - £41,715) based on an undiscounted total future liability of £436,428 (2013 - £82,000). The discount factor, being the risk free rate related to the liability, was 2.42% as at 31 December 2014 (2013 - 3.44%). Following a review of the decommissioning provision in the year the directors have re-assessed the estimated costs anticipated on decommissioning, with the adjustment recorded in the carrying value of fixed assets.

15 CAPITAL COMMITMENTS, CONTINGENT LIABILITIES AND FINANCIAL COMMITMENTS

At 31 December 2014 under the Facilities Agreement, a decommissioning bond of £82,000 exists, but no cash has been drawn against this facility to date.

At the balance sheet date, the Company has annual commitments in respect of land for minimum lease payments under a non-cancellable operating lease, which fall due as follows

	2014	2013
	£	£
More than 5 years	82,000	82,000

16 CALLED UP SHARE CAPITAL

	Group/Company	
	2014	2013
	£	£
Allotted, called up and fully paid:		
245 ordinary shares of £1 each	245	245

17 MOVEMENT IN RESERVES

	Group Profit and loss account	Company Profit and loss account
	£	£
At 1 January 2014	(327,085)	(129,699)
Loss for the financial year	(49,270)	(167,956)
At 31 December 2014	(376,355)	(297,655)

Notes to the financial statements for the year ended 31 December 2014 (continued)

18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S DEFICIT

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Loss for the financial year/period	(49,270)	(327,085)	(167,956)	(129,699)
Issue of shares	-	245	-	245
Net addition to shareholder's deficit	(49,270)	(326,840)	(167,956)	(129,454)
Opening shareholder's deficit	(326,840)	-	(129,454)	-
Closing shareholder's deficit	(376,110)	(326,840)	(297,410)	(129,454)

19 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014	2013
	£	£
Operating profit/(loss)	509,450	(198,567)
Depreciation and amortisation	387,354	121,002
Movement in debtors	(655,299)	264,446
Movement in creditors	(1,779,091)	2,029,476
Net cash (outflow)/inflow from operating activities	(1,537,586)	2,216,357

20 RECONCILIATION OF MOVEMENT IN NET DEBT

	At 1 January 2014	Cash flow	Other non-cash changes	At 31 December 2014
	£	£	£	£
Cash in hand and at bank	95,622	(77,231)	-	18,391
Other financial assets	-	1,172,346	-	1,172,346
Debt due within one year	(399,391)	(4,241,769)	3,423,158	(1,218,002)
Debt due after one year	(13,076,952)	-	(3,992,953)	(17,069,905)
Net Group Debt	(13,380,721)	(3,146,654)	(569,795)	(17,097,170)

Other non-cash changes comprise debt issue cost amortisation of £54,348 and subordinated debt interest rolled up into the subordinated debt principal of £515,447 (see note 13).

21 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2014
	£
Decrease in cash in hand and at bank	(77,231)
Cash inflow from increase in debt	(4,241,769)
Other non cash movements	(569,795)
Cash inflow from increase in liquid resources	1,172,346
Increase in net debt	(3,716,449)
Net debt at 1 January	(13,380,721)
Net debt at 31 December	(17,097,170)

22 TRANSACTIONS WITH RELATED PARTIES

	2014	2013
	£	£
John Laing Investments Limited		
100% Shareholder until 31 March 2015 providing subordinated debt		
Profit and Loss account		
Subordinated debt interest	(347,332)	(129,699)
Capitalised into tangible fixed asset		
Subordinated debt interest	(168,115)	(326,219)
Balance Sheet		
Subordinated debt - balance owed to parent undertaking (note 12)	(7,171,290)	(5,352,887)
Subordinated debt interest - balance owed to parent undertaking (note 13)	-	-
Cash flow		
Subordinated debt injection - loan from shareholder	(1,700,000)	(1,432,998)
Subordinated debt interest	-	-
Laing Investments Management Services Limited		
100% fellow subsidiary of the John Laing Group until 31 March 2015		
Profit and Loss account		
Management service fees	(29,300)	-
Capitalised into tangible fixed asset		
Bid development services	-	(180,000)
Management service fees	(4,675)	(17,875)
Cash flow		
Bid development services	(33,975)	(17,875)
Management service fees	-	-

There were no balances outstanding with Laing Investments Management Services Limited at 31 December 2014 (2013 - £nil).

23 ULTIMATE PARENT UNDERTAKING

The Company's immediate parent company is John Laing Investments Limited, a company incorporated in Great Britain.

The smallest and largest group in which the Company's results is consolidated is Wear Point Wind (Holdco) Limited. The Company's ultimate parent and controlling entity at 31 December 2014 was John Laing Group plc. As at 31 March 2015, the Company's ultimate parent and controlling entity is John Laing Environmental Assets Group Limited (UK) Limited, a company incorporated in Jersey, Channel Islands.