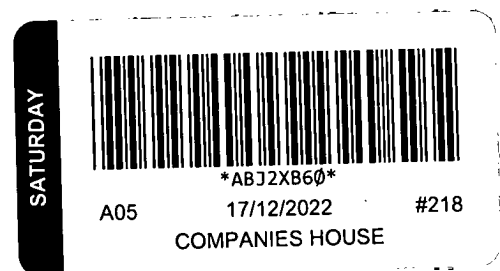


REGISTERED NUMBER: 08617823 (England and Wales)

Ferndale Wind Limited

Directors' Report and

Audited Financial Statements For The Year Ended 31 March 2022



Ferndale Wind Limited

**Contents of the Financial Statements
For The Year Ended 31 March 2022**

	Page
Company Information	1
Directors' Report	2
Statement of Directors' Responsibilities	5
Independent Auditor's Report	6
Statement of Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13

Ferndale Wind Limited

**Company Information
For The Year Ended 31 March 2022**

Directors:

J M Linney
S W Hughes
J P Hardy

Registered office:

C/o Res White Ltd, Beaufort Court
Egg Farm Lane
Kings Langley
Hertfordshire
WD4 8LR

Registered number:

08617823 (England and Wales)

Independent auditor:

Deloitte LLP
Statutory Auditor
1 New Street Square
London
EC4A 3HQ

Bankers:

HSBC Bank PLC
8 Canada Square
London
E14 5HQ

Ferndale Wind Limited

Directors' Report For The Year Ended 31 March 2022

The directors present their report with the financial statements of the Company for the year ended 31 March 2022.

Principal activity

The Company was incorporated on 22 July 2013. The Company operates principally as a designated member of Wind Assets LLP (the "LLP"), whose principal activity is the financing and operation of two wind farms, Castle Pill wind farm and Ferndale wind farm, located in South Wales. Under the terms of the Membership Agreement, each member shall have one vote in respect to any decisions and all matters shall be determined by unanimous vote of the members. As a result Castle Pill Wind Limited does not have control over the LLP and is exempt from producing consolidated accounts for the year under review. The partnership has rights to the earnings of Ferndale wind farm. The interest held in the LLP is 13.80%.

Dividends

The profit during the period was £283,795 (2021: £(96,318) loss).

The directors paid dividends in the period of £nil (2021: £nil).

The directors have not recommended payment of a final dividend (2021: £nil).

Directors

The directors shown below have held office during the whole of the period from 1 April 2021 to the date of this report.

J M Linney
S W Hughes

Other changes in directors holding office are as follows:

J P Hardy - appointed 31 March 2022

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The Company operates principally as a designated member of Wind Assets LLP and so in arriving at their conclusion, the directors primarily considered the subsidiary company's operations. The directors assessed the impact of a resurgence in the Covid-19 pandemic and the potential risks of the recent energy market disruption that has led to very high energy prices as a result of geo-political uncertainty and gas shortages stemming from Russia's invasion of Ukraine. It was noted that whilst any power price variability is not welcomed, the uncertainty it brings is balanced out by the other main source of revenue of its subsidiary company, the buyout revenues on Renewable Obligation Certificates (ROCs), which has fixed prices per MWh and therefore adds a degree of certainty to a portion of future revenues which heavily contributes to the going concern assumption. The directors will continue to closely monitor the situation and to take appropriate action if deemed necessary.

Further details regarding the adoption of the going concern basis can be found in note 2 of the Accounting Policies.

Ferndale Wind Limited

Directors' Report For The Year Ended 31 March 2022

Risks and uncertainties

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses accumulated profits.

Exposure to market prices

The company's subsidiary is exposed to long term electricity market prices. To counter this the project has a long term Purchase Power Agreement (PPAs) in place with the counterparty Statkraft Markets GMBH. The directors keenly monitor the electricity market and seek to fix prices under these PPAs when it is deemed favourable to do so, this has been especially relevant during the year since unprecedented volatility has been observed when economic activity lurched back to the higher pre-lockdown levels leading to prices rebounding from the historic lows observed as a result of the economic slump encountered at the start of the COVID-19 pandemic. This was then further exacerbated by Russia's invasion of Ukraine and the sanctions on Russian fossil fuels that followed which has pushed prices to previously unfathomable levels.

Credit risk

The Company's principal financial assets are its investments and their cash and trade and other receivables. The company's subsidiary credit risk is primarily attributable to its trade receivables and accrued income which are with one counterparty. The Company monitors the financial standing of that counterparty in order to manage its credit risk.

Wind/energy yield risk

The Company has engaged consultants to assess long term wind predictions and consequent energy yield for the given turbines of the subsidiary. However, there still remains a risk that wind and energy yield may be less (or more) than modelled. The project was refinanced on 6 March 2019 via its holding company on an assumption that realistic downsides would not materially jeopardise the project. The Company will continue to monitor performance against the modelled plan.

Covid-19

The outbreak of COVID-19 was at its height a very significant humanitarian and economic event. It led to a significant economic slowdown and worldwide recession, for which the aftermath will be felt for many years to come since enormous increases in worldwide borrowing were required to support the struggling populace and business enterprise. However, the company's subsidiary was relatively sheltered from the negative effects and the directors believe that any further impact of COVID-19 to the Company will continue to be immaterial to the Company's ability to operate and to support this notion the business model continues to be stress tested to understand how different scenarios might impact the business. Further details can be found in the Going concern section of this annual report.

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

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 auditor is 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 auditor is aware of that information.

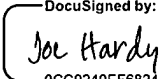
Ferndale Wind Limited

**Directors' Report
For The Year Ended 31 March 2022**

Auditor

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

On behalf of the board:

DocuSigned by:

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.....
J P Hardy - Director

09 December 2022 | 17:20 GMT
Date:

Ferndale Wind Limited

Statement of Directors' Responsibilities For The Year Ended 31 March 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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;
- 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 Ferndale Wind Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Ferndale Wind Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 16.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

Independent auditor's report to the members of Ferndale Wind Limited

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.

We have nothing to report in this regard.

Responsibilities of directors

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, 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 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was considered 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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included International Financial Reporting Standards, UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

Independent auditor's report to the members of Ferndale Wind Limited

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

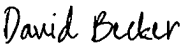
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law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

We have nothing to report in respect of these matters.

**Independent auditor’s report to the members of
Ferndale Wind Limited**

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 and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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David Becker ACA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

09 December 2022 | 17:46 GMT
Date:

Ferndale Wind Limited**Statement of Comprehensive Income
For The Year Ended 31 March 2022**

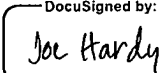
	Notes	2022 £	2021 £
Turnover		-	-
Operating profit	4	-	-
Income from fixed asset investments	5	472,147	-
		<u>472,147</u>	-
Interest payable and similar expenses	6	(1,703)	(21,868)
Profit/(loss) before taxation		470,444	(21,868)
Tax on profit/(loss)	7	(186,649)	(74,450)
Profit/(loss) for the financial year		283,795	(96,318)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		<u>283,795</u>	<u>(96,318)</u>

The notes on pages 13 to 23 form part of these financial statements

Ferndale Wind Limited (Registered number: 08617823)**Balance Sheet
31 March 2022**

	Notes	2022 £	2021 £
Fixed assets			
Investments	8	759,000	759,000
Current assets			
Debtors: amounts falling due within one year	9	419,921	-
Creditors			
Amounts falling due within one year	10	-	(107,351)
Net current assets/(liabilities)		<u>419,921</u>	<u>(107,351)</u>
Total assets less current liabilities		1,178,921	651,649
Creditors			
Amounts falling due after more than one year	11	(1,210,006)	(1,153,178)
Provisions for liabilities	12	<u>(445,191)</u>	<u>(258,542)</u>
Net liabilities		<u><u>(476,276)</u></u>	<u><u>(760,071)</u></u>
Capital and reserves			
Called up share capital	13	1	1
Retained earnings		<u>(476,277)</u>	<u>(760,072)</u>
Shareholder funds		<u><u>(476,276)</u></u>	<u><u>(760,071)</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 09 December 2022 | 17:20 GMT and were signed on its behalf by:

DocuSigned by:

 DCC9240EF682433
 J P Hardy - Director

The notes on pages 13 to 23 form part of these financial statements

Ferndale Wind Limited**Statement of Changes in Equity
For The Year Ended 31 March 2022**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2020	1	(663,754)	(663,753)
Changes in equity			
Total comprehensive loss	-	(96,318)	(96,318)
Balance at 31 March 2021	1	(760,072)	(760,071)
Changes in equity			
Total comprehensive income	-	283,795	283,795
Balance at 31 March 2022	1	(476,277)	(476,276)

The notes on pages 13 to 23 form part of these financial statements

Ferndale Wind Limited

Notes to the Financial Statements For The Year Ended 31 March 2022

1. General information

Ferndale Wind Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. Accounting policies

Basis of preparing the financial statements

The financial statements have been prepared in accordance with the applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The particular accounting policies adopted are described below and have been applied consistently throughout the current and prior financial period.

The Company also meets the definition of a qualifying entity under FRS 102. The Company is consolidated in the financial statements of its parent, JLEAG Wind Limited, registered in England and Wales and the financial statements are available from the registered office at C/O Foresight Group LLP The Shard, 32 London Bridge Street, London, United Kingdom, SE1 9SG.

Ferndale Wind Limited

Notes to the Financial Statements - continued For The Year Ended 31 March 2022

2. Accounting policies - continued

Financial Reporting Standard 102 - reduced disclosure exemptions

This Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this Company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The Company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' - Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' - Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues', - Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument, basis of determining fair values, details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income; and
- Section 33 'Related Parties' - Related party transactions with other undertakings in the JLEN Environmental Assets Group (UK) Limited group.

Going concern

The financial statements have been prepared on the basis the Company is a going concern, which the directors consider appropriate despite the Company being in a net liability position.

The directors have separately reviewed integrated forecasts for the Company, for the foreseeable future being at least 12 months from the date of approval of the annual report, which indicate that the Company will be able to meet its cash flow demands and liabilities as they fall due from cash flows from operations and existing working capital.

The Company operates principally as a designated member of Wind Assets LLP and so in arriving at their conclusion, the directors primarily considered the subsidiary company's operations. The directors assessed the impact of a resurgence in the Covid-19 pandemic and the potential risks of the recent energy market disruption that has led to very high energy prices as a result of geo-political uncertainty and gas shortages stemming from Russia's invasion of Ukraine. It was noted that whilst any power price variability is not welcomed, the uncertainty it brings is balanced out by the other main source of revenue of its subsidiary company, the buyout revenues on Renewable Obligation Certificates (ROCs), which has fixed prices per MWh and therefore adds a degree of certainty to a portion of future revenues which heavily contributes to the going concern assumption. The directors will continue to closely monitor the situation and to take appropriate action if deemed necessary.

Additionally, the Company's intermediate parent company, JLEN Environmental Assets Group (UK) Limited, has provided the Company with a commitment of financial support for a period of at least twelve months from the date signing of the financial statements, should that be required. Further, with respect to intergroup creditor balances that are repayable on demand, JLEN Environmental Assets Group (UK) Limited has confirmed that there is no intention for these balances to be called until such time as the Company have sufficient funds with which to do so. We have assessed the ability of JLEN Environmental Assets Group (UK) Limited to provide this support to the Company.

Ferndale Wind Limited

Notes to the Financial Statements - continued For The Year Ended 31 March 2022

2. Accounting policies - continued

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

During the year, the directors have assessed whether there are any indicators of impairment of the investment held on the statement of financial position of £759,000, comprising the investment held in Wind Assets LLP. Based on the future activity of the LLP, the directors consider there are no indicators of impairment and that the value of the investment is not less than stated on the statement of financial position at 31 March 2022. The situation will be monitored closely and adjustments made where future market activity indicates as appropriate.

Ferndale Wind Limited

Notes to the Financial Statements - continued For The Year Ended 31 March 2022

2. Accounting policies - continued

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

Ferndale Wind Limited

Notes to the Financial Statements - continued For The Year Ended 31 March 2022

2. Accounting policies - continued Financial instruments - continued

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss. Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Ferndale Wind Limited

Notes to the Financial Statements - continued For The Year Ended 31 March 2022

2. Accounting policies - continued Financial instruments - continued

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Taxation

Current tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before taxation as reported in the Income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

- deferred tax assets are recognised only to the extent that the directors consider that it is 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 on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Deferred tax assets and liabilities are offset only if the Company has a legally enforceable right to set off current tax assets against current tax liabilities.

Ferndale Wind Limited**Notes to the Financial Statements - continued
For The Year Ended 31 March 2022****2. Accounting policies - continued****Cash**

Cash and cash equivalents are basic financial assets and include cash at bank, cash in hand, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the year in which the dividends are approved by the Company's shareholders.

Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

Investments

Fixed asset investments are stated at cost less any provision for impairment.

Borrowing costs

Borrowing costs are expensed as incurred.

3. Employees and directors

There were no staff costs for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Services are provided to the Company through a third party asset management agreement.

None of the Directors received any remuneration from the Company during the period (2021: None).

4. Operating profit**Auditors remuneration**

The audit fee for the Company for the year of £5,384 (31 March 2021 £4,584) has been borne by another group company and no recharge was made. There were no fees for non-audit services in the current or prior year.

5. Income from fixed asset investments

	2022 £	2021 £
Other fixed asset invest - FII	472,147	-

Amounts within income from fixed asset investments relates to distributions from Wind Assets LLP.

Ferndale Wind Limited**Notes to the Financial Statements - continued
For The Year Ended 31 March 2022****6. Interest payable and similar expenses**

	2022	2021
	£	£
Interest payable to parent	1,703	21,868

7. Taxation**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2022	2021
	£	£
Deferred tax:		
Reversal of timing differences	31,640	(82,121)
Impact of change in tax rate	106,846	-
Adjustment in respect of prior periods	1,293	2,045
Tax losses carried forward	46,870	154,526
Total deferred tax	186,649	74,450
Tax on profit/(loss)	186,649	74,450

Reconciliation of total tax charge included in profit and loss

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

	2022	2021
	£	£
Profit/(loss) before tax	470,444	(21,868)
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	89,384	(4,155)
Effects of:		
Expenses not deductible for tax purposes	1,099	3,159
Income not taxable for tax purposes	(89,708)	-
Adjustments to tax charge in respect of previous periods	1,293	2,045
Effect of change in corporation tax rate	106,846	-
Taxable income on share of LLP profits	77,735	73,401
Total tax charge	186,649	74,450

At the balance sheet date, the UK rate of corporation tax is 19%. In the Spring Budget 2021, the UK Government announced that from 1 April 2023, the main rate of corporation tax would increase from 19% to 25%. As this 25% rate was substantively enacted by the balance sheet date, the closing deferred tax assets and liabilities have been calculated at 25% (2021:19%), on the basis that this is the rate at which those assets and liabilities are expected to unwind.

Ferndale Wind Limited**Notes to the Financial Statements - continued
For The Year Ended 31 March 2022****8. Fixed asset investments**

	Interest in joint venture £
Cost	
At 1 April 2021	
and 31 March 2022	759,000
Net book value	
At 31 March 2022	759,000
At 31 March 2021	759,000

The company holds an 13.8% interest in Wind Assets LLP, which is incorporated in Great Britain and is registered in England and Wales. The registered address of Wind Assets LLP is C/O Res White Limited Beaufort Court, Egg Farm Lane, Kings Langley, Hertfordshire, England, WD4 8LR. The Company has joint control over this partnership and has been accounted for at historical cost less impairment. The principal activity of this joint venture is to finance and operate two wind farms in South Wales. In the opinion of the directors, the value of the investment in the LLP is not less than the amount stated in the statement of financial position.

9. Debtors: amounts falling due within one year

	2022 £	2021 £
Amounts owed by group undertakings	419,921	-

Amounts owed by group undertakings are repayable on demand.

The amounts owed by group companies balance of £419,921 (2021: £nil) relates to cash originally distributed to the parent JLEAG Wind Limited. This reflected a dividend paid to JLEAG Wind Limited, however due to a technical accounting matter it was subsequently identified that there were not in fact sufficient distributable reserves. As such the funds are owed back to Ferndale Wind Limited and are therefore reflected in the Company's Financial Statements as a debtor. This amount is interest free and unsecured.

10. Creditors: amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	-	107,351

Amounts owed to group undertakings are repayable on demand.

11. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Amounts owed to joint ventures	1,210,006	1,153,178

Ferndale Wind Limited**Notes to the Financial Statements - continued
For The Year Ended 31 March 2022****11. Creditors: amounts falling due after more than one year - continued****Subordinated debt**

Following refinancing of the group, within which the Company is a member of, on 6 March 2019, this loan had increased from £514,405 to £524,023. The loan was repaid in the year and carried an interest rate of 11%.

During the year the Company made repayments of £211,228 (2021: £107,769) against the principal loan. The principal balance was £nil as at year end (2021: £99,412) and the outstanding interest was £nil (2021: £2,696).

Amounts owed to interests in LLP

The loan from Wind Assets LLP of £1,204,764 (2021: £1,153,178) bears no interest and will be repaid through future distributions from the LLP. The loan is payable on demand, however, Wind Assets LLP has no intention of demanding repayment until such time as the Company has sufficient funds. This amount is unsecured.

The remaining balance of £5,242 (2021: £5,242) relates to intercompany group relief owed to BL Wind limited.

12. Provisions for liabilities

	2022 £	2021 £
Deferred tax		
Accelerated capital allowances	445,191	306,705
Tax losses carried forward	-	(48,163)
	<u>445,191</u>	<u>258,542</u>
		Deferred tax £
Balance at 1 April 2021		258,542
Provided during year		<u>186,649</u>
Balance at 31 March 2022		<u>445,191</u>

13. Called up share capital

Allotted, issued and fully paid:			2022	2021
Number:	Class:	Nominal value:	£	£
1	Ordinary Shares	1	<u>1</u>	<u>1</u>

14. Off-balance sheet arrangements

There are no material off-balance sheet arrangements.

Ferndale Wind Limited

Notes to the Financial Statements - continued For The Year Ended 31 March 2022

15. Related party disclosures

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

16. Ultimate controlling party

The Company's ultimate parent and controlling entity is JLEN Environmental Assets Group Limited, a company incorporated in Guernsey, Channel Islands, with a registered address of Sarnia House, Le Truchot, St. Peter Port, Guernsey, GY1 4NA.

Copies of the financial statements of JLEN Environmental Assets Group Limited are available from the website www.jlen.com.

The Company's immediate parent company is JLEAG Wind Limited, a company incorporated in Great Britain and registered in England & Wales. The smallest group in which its results are consolidated is JLEAG Wind Limited and the largest group in which its results are consolidated is JLEAG Wind Holding Limited. Both of these parent companies have a registered office of C/O Foresight Group Llp The Shard, 32 London Bridge Street, London, United Kingdom, SE1 9SG and copies of the consolidated financial statements are available from Companies House.