

Registered number: 09295400

GHARAGAIN RIVER HYDRO LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 SEPTEMBER 2017

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GHARAGAIN RIVER HYDRO LIMITED
REGISTERED NUMBER: 09295400

BALANCE SHEET
AS AT 30 SEPTEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Investments		2	2
		<u>2</u>	<u>2</u>
Current assets			
Debtors	2,350,958	2,350,783	
	<u>2,350,958</u>	<u>2,350,783</u>	
Creditors: amounts falling due within one year	(12,905)	(11,649)	
Net current assets		<u>2,338,053</u>	<u>2,339,134</u>
Total assets less current liabilities		<u>2,338,055</u>	<u>2,339,136</u>
Creditors: amounts falling due after more than one year		(2,143,603)	(2,141,962)
Net assets		<u><u>194,452</u></u>	<u><u>197,174</u></u>
Capital and reserves			
Called up share capital		4	4
Share premium account		1,524,999	1,524,999
Capital redemption reserve		1	1
Profit and loss account		(1,330,552)	(1,327,830)
		<u><u>194,452</u></u>	<u><u>197,174</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on


C Ruedig
 Director

28/06/18

The notes on pages 3 to 8 form part of these financial statements.

GHARAGAIN RIVER HYDRO LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 October 2016	4	1,524,999	1	(1,327,830)	197,174
Comprehensive income for the year					
Loss for the year	-	-	-	(2,722)	(2,722)
Total comprehensive income for the year	-	-	-	(2,722)	(2,722)
At 30 September 2017	4	1,524,999	1	(1,330,552)	194,452

The notes on pages 3 to 8 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 October 2015	4	-	-	(6,820)	(6,816)
Comprehensive income for the year					
Loss for the year	-	-	-	(4,229)	(4,229)
Total comprehensive income for the year	-	-	-	(4,229)	(4,229)
Purchase of own shares	-	-	1	(1,316,781)	(1,316,780)
Shares issued during the year	1	1,524,999	-	-	1,525,000
Shares redeemed during the year	(1)	-	-	-	(1)
At 30 September 2016	4	1,524,999	1	(1,327,830)	197,174

The notes on pages 3 to 8 form part of these financial statements.

GHARAGAIN RIVER HYDRO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

1. General Information

Gharagain River Hydro Limited is a private company limited by shares, incorporated in England and Wales and the address of its registered office and principal place of business is 1 King's Arms Yard, London, United Kingdom, EC2R 7AF.

The principal activity of the company is that of a holding company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The company's functional and presentational currency is GBP.

The following principal accounting policies have been applied:

2.2 Going concern

The company has made a loss in the year of £2,722 (2016 - £4,229) and at the balance sheet date had net liabilities of £1,330,547 (2016 - £1,327,826).

The company is dependent upon its shareholders and loan note holders, in particular Albion Venture Capital Trust Plc, for their continuing support. This support has been given and repayment of loans are not due to occur within 12 months from the date of signing the financial statements.

2.3 Exemption from preparing consolidated financial statements

The company, and the group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and group are considered eligible for the exemption to prepare consolidated accounts.

2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

GHARAGAIN RIVER HYDRO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

2. Accounting policies (continued)

2.6 Financial Instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

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

In preparing these financial statements, the directors do not consider that there are significant judgments or estimates.

4. Employees

The company has no employees other than the directors, who did not receive any remuneration (2016 - £nil).

The average monthly number of employees, including directors, during the year was 0 (2016 - 0).

GHARAGAIN RIVER HYDRO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2016	2
At 30 September 2017	<u>2</u>
 Net book value	
At 30 September 2017	<u><u>2</u></u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Country of Incorporation	Class of shares	Holding	Principal activity
Green Highland Renewables (Ledgowan) Limited	Scotland	Ordinary	100 %	Operation of hydro electric facility

The aggregate of the share capital and reserves as at 30 September 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Green Highland Renewables (Ledgowan) Limited	<u>2,423,497</u>	<u>(151,242)</u>

The registered office of Green Highland Renewables (Ledgowan) Limited is PO Box CO SW, 1 Exchange Crescent, Conference Square, Edinburgh, Scotland, EH3 8UL.

GHARAGAIN RIVER HYDRO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

6. Debtors

	2017 £	2016 £
Due after more than one year		
Amounts owed by group undertakings	2,170,000	2,170,000
	<u>2,170,000</u>	<u>2,170,000</u>
Due within one year		
Other debtors	180,958	180,783
	<u>2,350,958</u>	<u>2,350,783</u>

Included within amounts owed by group undertakings due after more than one year is a loan of £2,170,000 (2016 - £2,170,000) due from Green Highland Renewables (Ledgowan) Limited. Interest is charged on the loans at a rate of 13.18% per annum. The earliest redemption date of the loans is 29 November 2018.

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	1,051	-
Amounts owed to group undertakings	10,854	9,624
Accruals and deferred income	1,000	2,025
	<u>12,905</u>	<u>11,649</u>

8. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Other loans	<u>2,143,603</u>	<u>2,141,962</u>

Secured loans

Included in creditors are loans of £2,143,603 (2016 - £2,141,962) which are secured by a standard security over the lease and security trust deed and a floating charge over the assets of the company.

Interest is charged on the loans at a rate of 13.18% per annum. The earliest redemption date of the loans is 29 November 2018.

GHARAGAIN RIVER HYDRO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

9. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at amortised cost	<u>2,350,958</u>	<u>2,350,783</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(2,156,508)</u>	<u>(2,153,611)</u>

Financial assets measured at amortised cost comprise amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings, trade creditors, accruals and other loans.

10. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
201,000 (2016 - 201,000) B Ordinary shares shares of £0.00001 each	2	2
201,000 (2016 - 201,000) C Ordinary shares shares of £0.00001 each	2	2
	<u>4</u>	<u>4</u>

All B and C Ordinary shares are prescribed equal voting and dividend rights.

11. Reserves

Share premium account

The share premium account includes the premium on issue of equity shares, net of any issue costs.

Capital redemption reserve

The capital redemption reserve is a non-distributable reserve and represents paid up share capital of the company which has been subject to a buy back.

Profit and loss account

Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

GHARAGAIN RIVER HYDRO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017**

12. Related party transactions

Gharagain River Hydro Limited has taken advantage of the exemption available under Section 33 of FRS 102 to not disclose transactions with members of the wholly owned group.

At 30 September 2017 an amount of £2,170,000 (2016 - £2,170,000) was owed to the shareholders of the company in respect of loan notes. Interest of £286,006 (2016 - £286,790) was charged on the loan notes in the year.

13. Controlling party

In the view of the directors' there is no controlling party or ultimate controlling party.

14. Auditor's information

The auditor's report on the financial statements for the year ended 30 September 2017 was unqualified.

The audit report was signed on ^{29/06/18} by Ian Weekes (Senior statutory auditor) on behalf of Crowe U.K. LLP.