EDF ER Development Limited

Annual Report and Financial Statements
Registration Number 09705070

31 December 2019

Contents

Company information

Directors

Matthieu Hue
Hassaan Majid

Registered office

Alexander House
1 Mandarin Road
Rainton Bridge Business Park
Houghton le Spring
Sunderland
DH4 5RA

Auditors

KPMG LLP
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

Strategic report

The Directors present their annual report and financial statements for the year ended 31 December 2019 for EDF ER Development Limited (the "Company").

Business Review
The principal activity of the Company is to hold the investments in entities which have the opportunity to develop a wind farm to produce electricity through wind power.

The Company is a wholly owned subsidiary of EDF Energy Renewables Limited.

During 2019 the decision was made not to continue with the projects being developed by its subsidiaries Mosscastle Windfarm Limited and The Mosses Windfarm Limited with the result that these subsidiaries were dissolved in December 2019. In 2020 South Clare is going to be dissolved and Cloich is in a large net liability position, therefore a prudent decision was taken to impair both projects.

Principal risks and uncertainties
The principal risks to the profitability to the Company are as follows:

Consent approval and regulatory risk
The Company has a portfolio of renewable energy projects that it is developing in its subsidiary undertakings. Construction can only commence on the project receiving consent from local and, if applicable, national bodies. The consent is therefore dependent on the regulatory and political climate for further expansion of renewable generation. In addition, the UK mechanism for supporting renewable projects continues to evolve and is changing under the Electricity market Reforms, whereby projects compete for UK government support. The Company manages this risk by constantly evaluating the development projects to respond to the current planning consent climate and support mechanism.

Financial risks
The Company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The Company adopts a prudent approach to liquidity management and mitigates against cash flow and liquidity risk by continuously monitoring forecasted and actual cash flows and maintaining sufficient cash reserves to meet its obligations. Additionally, the Company's shareholder, who is its principal creditor, have indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as needed by the Company, and a letter of support has been provided to this effect.

Brexit risk
The Company's exposure to Brexit-related risks is related to the skilled resource to develop and construct the renewable energy project in its subsidiary undertakings. The Company has managed this risk by helping to ensure the continued availability of human resource to assist in these projects.

Covid-19
Covid-19 related risks would be related to operational costs of the Company. Any additional costs that may be incurred would be the result of Covid-19 related delays to the supply of plant, property or equipment or services. These are expected to be short-term in nature and would be managed by the Company through its existing processes.

Strategic report (continued)

Business Environment, Performance and Key Performance Indicators
The Company through its subsidiary undertakings holds the opportunity to develop onshore wind farms.

The Directors believe that as none of the subsidiary undertakings are active and key performance indicators for the Company are not appropriate for an understanding of the development, performance or position of the business.

There were no major health and safety incidents to report in the year.

Future outlook
The Directors consider that the renewables market in the UK will continue to develop further with the result that it is likely to benefit the future trading of the Company.

Approved by the Board on 6 July 2020 and signed on its behalf by:

DocuSigned by:
CEAC4259A2BA443...

Hassaan Majid
Director

Alexander House
1 Mandarin Road
Rainton Bridge Business Park
Houghton le Spring
Sunderland
DH4 5RA

Directors' report

Principal activities of the Company
The principal activity of the Company is to hold investments in entities which have the opportunity to develop a wind farm to produce electricity through wind power.

Results and dividends
The loss for the year, before taxation, amounted to £230 *(2018: £Nil)*, and after taxation, amounted to £230 *(2018: £Nil)*. The Directors do not recommend the payment of a dividend *(2018: £Nil)*.

Directors' of the Company
The Directors, who held office during the year and to the date of approval of these financial statements, were as follows:

Matthieu Hue
Hassaan Majid

None of the Directors have had a service contract with the Company in the current year or prior year.

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

Political Contributions
The Company made no political contributions in the year *(2018: £Nil)*

Going Concern
Notwithstanding net liabilities of £228 as at 31 December 2019 and a loss for the year then ended of £230, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 18 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides including the impact of Covid-19, the company will have sufficient funds to meet its liabilities as they fall due for that period.

Those forecasts are dependent on EDF Energy Renewables Limited providing additional financial support during that period. EDF Energy Renewables Limited has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Fellow subsidiary companies consist of operating wind parks and holding companies which generate cash which is then passed to intermediate parent companies, EDF Energy Renewables Limited (which acts as the UK group treasurer) and EDF EN UK Limited, so that each fellow subsidiary is able to settle their liabilities as they fall due. At 31 December 2019 EDF Energy Renewables Limited has a cash balance of £85,739,000 (*30 June 2020: £48,673,000 (unaudited)*), with a further cash balance of approximately £84,444,000 held in other UK subsidiaries (*30 June 2020: £102,943,000 (unaudited)*). The UK Group is financed by way of a £294,400,000 loan from EDF Renouvelables SA to EDF EN UK Limited and the annual interest and principal repayment obligation is approximately £14,000,000. Forecasts are dependent on the company's fellow subsidiaries,

Directors' report (continued)

Going Concern (continued)

operational wind parks, generating sufficient cash to enable the group to continue its development activities in the UK and to meet interest and principal repayments.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Disclosure of information to the auditors

Each of the persons who is a Director at the date of approval of this annual report confirms that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

Auditor

It is noted that KPMG LLP as appointed by the members are deemed to be re-appointed as the auditor to the Company for the financial year ending 31 December 2020 in accordance with the provisions of Section 487(2) of the Companies Act 2006 and that the Directors have been authorised to set the remuneration of the auditor.

Approved by the Board on 6 July 2020 and signed on its behalf by:

Hassaan Majid
Director

Alexander House
1 Mandarin Road
Rainton Bridge Business Park
Houghton le Spring
Sunderland
DH4 5RA

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

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws 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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework.*

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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of EDF ER Development Limited

Opinion

We have audited the financial statements of EDF ER Development Limited (the "Company") for the year ended 31 December 2019, which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its result for the year ended;
- have been properly prepared in accordance with the UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Strategic report and directors' report

The Directors are responsible to the Strategic Report and the Directors' Report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic Report and the Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on the work:

- we have not identified material misstatements in the Strategic Report and the Directors' Report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of EDF ER Development Limited (continued)

Matters on which we are required to report by exemption
Under the Companies Act 2006 we are required 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 the Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities
As explained more fully in their statement set out on page 6, the Directors' are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities
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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities
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.

James Ledward (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

10 July 2020 ....

Profit and loss account and other comprehensive income

for the year ended 31 December 2019

	Notes	2019 £	2018 £
Impairment		**(200)**	-
Administrative expenses	*2,3,4*	**(30)**	-
Operating result		**(230)**	-
Interest payable and similar expenses		**-**	-
Loss before tax		**(230)**	-
Tax on loss	*5*	**-**	-
Loss for the year		**(230)**	-
Total comprehensive loss for the year		**(230)**	-

There were no recognised gains or losses other than the loss for the year.

All results are derived from continuing operations.

The notes on pages 12 to 20 form part of these financial statements.

Balance sheet

As at 31 December 2019

	Notes	2019 £	2018 £
Fixed Assets			
Investments	6	**700**	1,100
Current assets			
Debtors due within one year	7	**2**	2
Creditors: *Amounts falling due within one year*	8	**(930)**	(1,100)
Net current liabilities		**(928)**	(1,098)
Total assets less current liabilities		**(28)**	2
Net (liabilities)/assets		**(228)**	2
Called up share capital	9	**2**	2
Profit and loss account	9	**(230)**	-
Shareholders' (deficit)/funds		**(228)**	2

The notes on pages 12 to 19 form part of these financial statements.

The financial statements of EDF ER Development Limited (registered number 09705070) were approved by the Board of Directors on 6 July 2020 and were signed on its behalf by:

DocuSigned by:

CEAC4259A2BA443...

Hassaan Majid
Director

Statement of changes in equity

	Called up share capital	Profit and loss account	Total Equity
	£	£	£
Balance as at 1 January 2019	2	-	2
Result for the year	-	(230)	(230)
Balance as at 31 December 2019	2	(230)	(228)

	Called up share capital	Profit and loss account	Total Equity
	£	£	£
Balance as at 1 January 2018	2	-	2
Result for the year	-	-	-
Balance as at 31 December 2018	2	-	2

The notes on pages 12 to 20 form part of these financial statements.

Notes to the Financial Statements

1 Accounting policies

EDF ER Development Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK and resident in the UK for tax purposes. The Company's registered number is 09705070 and registered address is Alexander House, 1 Mandarin Road, Rainton Bridge Business Park, Houghton le Spring, Sunderland, DH4 5RA, UK.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Framework ("FRS 101").*

The Company has adopted the following IFRSs in these financial statements:

- IFRS 16: Leases. This has been adopted using the modified retrospective method and as a result the comparatives have not been restated and reported under IAS 17. There was no quantitative impact of adopting IFRS 16 on the Company's financial statements for the year ending 31 December 2019.

The adoption and transition to these standards has not resulted in any adjustments to the comparative information provided in these financial statements.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Electricité de France SA, includes the Company in its financial statements. The consolidated financial statements of Electricité de France SA are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Electricité de France SA, 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- The effects of the new but not yet effective IFRSs; and
- Disclosures in respect of key management personnel.

As the consolidated financial statements of Electricité de France SA include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- The disclosures required by IFRS 7 *Financial Instruments Disclosures* and IFRS 13 *Fair Value Measurement* have not been provided apart from those which are relevant for the financial instruments which are held at fair value and are not either held as part of trading portfolio or derivatives.

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of the material adjustment in the next year are discussed in note 12.

Measurement convention
The financial statements are prepared on the historical cost basis and are presented in sterling, the functional currency of the entity. Amounts presented are rounded to the nearest £1.

Going Concern
Notwithstanding net : liabilities of £228 as at 31 December 2019 and a loss for the year then ended of £230, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 18 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides including the impact of Covid-19, the company will have sufficient funds to meet its liabilities as they fall due for that period.

Those forecasts are dependent on EDF Energy Renewables Limited providing additional financial support during that period. EDF Energy Renewables Limited has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Fellow subsidiary companies consist of operating wind parks and holding companies which generate cash which is then passed to intermediate parent companies, EDF Energy Renewables Limited (which acts as the UK group treasurer) and EDF EN UK Limited, so that each fellow subsidiary is able to settle their liabilities as they fall due. At 31 December 2019 EDF Energy Renewables Limited has a cash balance of £85,739,000 (*30 June 2020: £48,673,000 (unaudited)*), with a further cash balance of approximately £84,444,000 held in other UK subsidiaries (*30 June 2020: £102,943,000 (unaudited)*). The UK Group is financed by way of a £294,400,000 loan from EDF Renouvelables SA to EDF EN UK Limited and the annual interest and principal repayment obligation is approximately £14,000,000. Forecasts are dependent on the company's fellow subsidiaries, operational wind parks, generating sufficient cash to enable the group to continue its development activities in the UK and to meet interest and principal repayments.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

Taxation
Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in the equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to the tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Financial instruments
Recognition and initial measurement
Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value.

Classification and subsequent measurement
On initial recognition, a financial asset is classified as measured at amortised cost. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent measurement and gains and losses
Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses.

Financial liabilities and equity
Financial liabilities are classified as measured at amortised cost. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

Impairment

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost and contract assets (as defined in IFRS 15). The Company measures loss allowances at an amount equal to lifetime ECL, except for other debt securities and bank balances for which credit risk (i.e. the

risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition which are measured as 12-month ECL. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum

period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset. Based on the Company's historical experience, the ECL is not material on the Company's financial assets.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Write-offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

Impairment of non-financial assets excluding deferred tax assets
The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2 Expenses and auditor's remuneration

Included in the profit/loss are the following:

	2019	2018
	£	£
Write-off of investments (note 6)	**200**	-
Write-off of creditors	**(200)**	-

Audit fees of £1,533 *(2018: £1,500)* were borne by EDF Energy Renewables Limited.

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Electricité de France SA.

3 Directors' remuneration
None of the Directors had a service contract with the Company in the current year or prior period. They are all employed by companies within EDF group and no portion of the remuneration can be specially attributed to their services to the Company.

4 Staff numbers and costs
The Company had no employees in the year *(2018: Nil)*.

Notes to the Financial Statements (continued)

5 Taxation

(a) Total tax recognised in the profit and loss account:

	2019 £	2018 £
Total tax	-	-

(b) Reconciliation of effective tax rate:

	2019 £	2018 £
Loss before tax	(30)	-
Tax using the UK corporation tax rate of 19% *(2018: 19%)*	(6)	-
Deferred tax not recognised	6	-
Total tax	-	-

6 Investments

	2019 £
Cost at beginning of year:	1,100
Dissolution of Mosscastle Windfarm Limited	(100)
Dissolution of The Mosses Windfarm Limited	(100)
Cost at end of year	900

At 31 December 2019, the Company held direct and indirect interests as follows:

Notes to the Financial Statements (continued)

6 Investments (continued)

Investment	Country of registration or incorporation	Class of shares	Percentage of shares held	Nature of business
EDF ER Nominee Limited	England and Wales	Ordinary	100%	Holding Company
Camilty Windfarm Limited	England and Wales	Ordinary	100%	Dormant Company
Cloich Windfarm Limited	England and Wales	Ordinary	100%	Wind farm under development
Heathland Windfarm Limited	England and Wales	Ordinary	100%	Dormant Company
Newcastleton Windfarm Limited	England and Wales	Ordinary	100%	Dormant Company
South Clare Windfarm Limited	England and Wales	Ordinary	100%	Wind farm under development
Tinnisburn Windfarm Limited	England and Wales	Ordinary	100%	Dormant Company
Wauchope Windfarm Limited	England and Wales	Ordinary	100%	Dormant Company
West Benhar Windfarm Limited	England and Wales	Ordinary	100%	Dormant Company
Investment	**Country of registration or incorporation**	**Class of shares**	**Percentage of shares held**	**Nature of business**
Cloich Windfarm Partnership LLP (*)	England and Wales	Ordinary	100%	Dormant Company
Camilty Windfarm Partnership LLP (*)	England and Wales	Ordinary	100%	Dormant Company
Tinnisburn Windfarm Partnership LLP (*)	England and Wales	Ordinary	100%	Dormant Company
Newcastleton Windfarm Partnership LLP (*)	England and Wales	Ordinary	100%	Dormant Company
Wauchope Windfarm Partnership LLP (*)	England and Wales	Ordinary	100%	Dormant Company
Heathland Windfarm Partnership LLP (*)	England and Wales	Ordinary	100%	Dormant Company
West Benhar Windfarm Partnership LLP (*)	England and Wales	Ordinary	100%	Dormant Company

(*) Indirect holding.

The registered address of all the above investments is Alexander House, 1 Mandarin Road, Rainton Bridge Business Park, Houghton le Spring, Sunderland, England, DH4 5RA.

7 Debtors

	2019 £	2018 £
Amounts due from group undertakings	2	2

All balances are expected to be recovered within one year.

Notes to the Financial Statements (continued)

8 Creditors: Amounts falling due within one year

	2019 £	2018 £
Amounts owed to group undertakings	**900**	1,100
Bank overdraft	**30**	-
	930	1,100

9 Capital and reserves

Share capital

Allotted, called up and fully paid

	2019 Number	2019 £	2018 Number	2018 £
Ordinary shares of £1 each	**2**	**2**	2	2
	2	**2**	2	2

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Profit and loss account

The profit and loss account represents the cumulative profit and losses of the Company, net of dividends paid.

10 Related party transactions

As the Company is a wholly owned subsidiary of Electricité de France SA, the Company has taken advantage of the exemption contained in FRS 101 and has therefore not disclosed transactions with wholly owned subsidiaries which form part of the group.

There were no related party transactions occurring in the current or prior year.

11 Parent undertaking and controlling party

EDF Energy Renewables Limited holds a 100% interest in the Company and is considered to be the Company's immediate parent and controlling undertaking party. The registered address of EDF Energy Renewables Limited is Alexander House, 1 Mandarin Road, Rainton Bridge Business Park, Houghton le Spring, Sunderland, England, DH4 5RA.

Electricité de France SA, a company incorporated in France, is regarded by the Directors as the Company's ultimate parent undertaking and controlling party. This is the smallest and largest group for which consolidated financial statements are prepared. Copies of that company's consolidated financial statements may be obtained from Electricité de France SA, 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France.

Notes to the Financial Statements (continued)

12 Accounting estimates and judgement

The preparation of financial statements requires the use of accounting estimates and judgements, and requires management to exercise judgement in applying accounting policies. We continually evaluate our judgements and assumptions.

The Company holds on its balance sheet fixed assets related to the wind farm projects. The carrying value recognised for the assets is included on the judgement that it will be recovered through the future activities of the Company. These judgements are based on periodic assessment of impairment indicators which are reviewed by management.